



Talon Resources, Inc.

Service, Quality and Accuracy

375 South Carbon Avenue A-10
Suite 101
Price, Utah 84501
Phone: 435-637-8781
435-637-5032 Ext 710/711

Cell: 801-650-1401
801-650-1402
Fax: 435-636-8603
Email: talon.5@straband.com

September 28, 2001

Mrs. Lisha Cordova
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to State Spacing Rule—EDP Resources, L.L.C.—EDP #1,
Carbon County, Utah: 2126' FNL, 1104' FWL, Section 9, T15S, R12E, SLB&M.

Dear Mrs. Cordova:

On behalf of EDP Resources, L.L.C. (EDP) Talon Resources, Inc. respectfully submits the following request for exception to spacing and information to supplement the previously submitted *APD* for the above referenced well.

A request for exception to spacing (state sighting rules) is hereby requested based on geology because the well is located within 460' of the drilling unit boundary.

EDP Resources, L.L.C. is the only owner and operator within 460' of the proposed well location.

Thank you for your timely consideration of this request. Please feel free to contact me or Mr. Peter Yogman of EDP at 1-435-645-3901 if you have any questions or need additional information.

Sincerely,

Don S. Hamilton

Don S. Hamilton
Environmental Manager / Project Coordinator

cc: Mr. Eric Jones, BLM—Moab District Office
Mr. Don Stephens, BLM – Price Field Office
Mr. Peter Yogman, EDP Resources, L.L.C.
Mr. Dan Davis, EDP Resources, L.L.C.
Hal Demuth, Petrotek Engineering Corporation
EDP Well File

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OCT 01 2001

DIVISION OF
OIL, GAS AND MINING



Talon Resources, Inc.

Service, Quality and Accuracy

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Suite 101
Price, Utah 84501
Phone: 435-637-8781
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435-650-1402
435-650-1886
Fax: 435-636-8603
Email: talon.5@starband.com

September 28, 2001

Mr. Eric Jones — Petroleum Engineer
Bureau of Land Management
82 East Dogwood
Moab, Utah 84532

RE: Application for Permit to Drill—EDP Resources, L.L.C., Well Site EDP #1
Carbon County, Utah; 2126' FNL, 1104' FWL, Section 9, T15S, R12E, SLB&M.

Dear Mr. Jones:

On behalf of EDP Resources, L.L.C., (EDP), Talon Resources, Inc. respectfully submits the enclosed original of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats and layouts of the proposed well site;

Exhibit "B" - Proposed location maps with access corridors;

Exhibit "C" - Drilling site layout;

Exhibit "D" - Onsite Inspection Checklist, 8-Point Drilling Program;

Exhibit "E" - Production site layout;

Exhibit "F" - Typical road cross-section;

Exhibit "G" - Typical BOP diagram;

Exhibit "H" - Typical wellhead manifold diagram.

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OCT 1 2001

DIVISION OF
OIL, GAS AND MINING

FILE COPY

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-77512
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR EDP Resources, L.L.C.		7. UNIT AGREEMENT NAME N/A
3. ADDRESS AND TELEPHONE NO. 2065 Sidewinder Drive, Ste. 203, Park City, Utah 84060 435-645-3901		8. FARM OR LEASE NAME, WELL NO. EDP #1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 2126' FNL, 1104' FWL At proposed prod. zone		9. API WELL NO.
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8.18 miles southeast of Wellington, Utah		10. FIELD AND POOL, OR WILDCAT -Wildcat Undesignated
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1104'	16. NO. OF ACRES IN LEASE 1123.76	11. SEC., T., R., M., OR BLK. SW/4 NW/4, Section 9, T15S, R12E, SLB&M
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None'	19. PROPOSED DEPTH 8200'	12. COUNTY OR PARISH Carbon
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5570' GR		13. STATE Utah
22. APPROX. DATE WORK WILL START* November 1, 2001		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H-40 ST&C	48 #/ft	60'	36 cf/surface Class G cement + 3% CaCl ₂
12-1/4"	9-5/8" K-55 ST&C	36 #/ft	3000'	950 cf/surface Class G cement + 2% CaCl ₂ + LCM
7-7/8"	5-1/2" K-55 LT&C	15.5 #/ft	8200'	900 cf/surface Class G Lite Lead + Lite Lead + LCM, Class G tail

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DIVISION OF
OIL, GAS AND MINING

CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for EDP Resources, L.L.C. TE 9-28-01

(This space for Federal or State office use)

PERMIT NO. 43-007-30818 APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

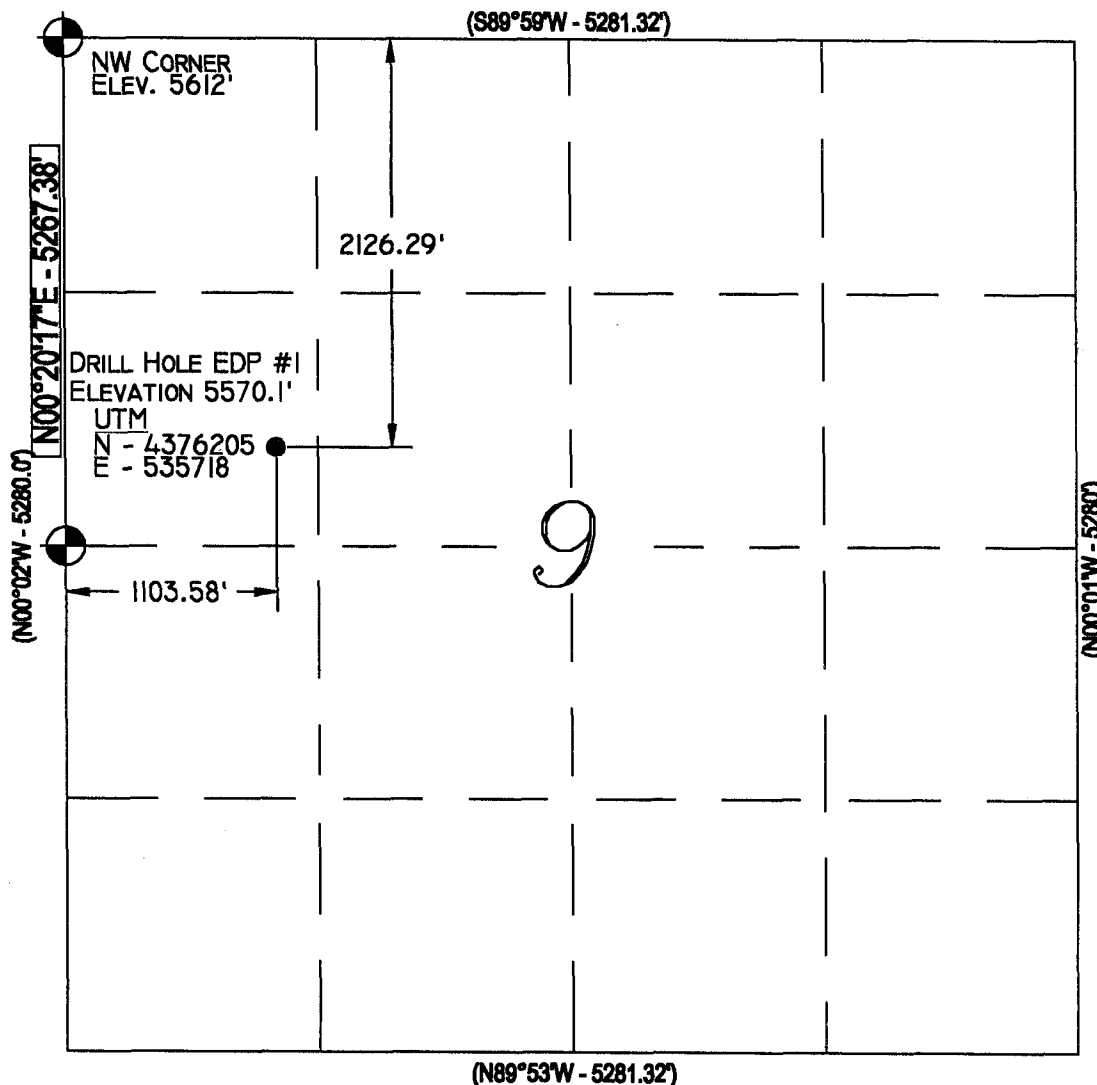
APPROVED BY Bradley G. Hill TITLE RECLAMATION SPECIALIST III DATE 11-01-01

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

Range 12 East

Township 15 South



Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG
39°32'12"N
110°35'04"W

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing:

THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:

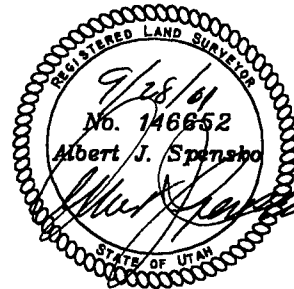
BASIS OF ELEVATION OF 5612' BEING AT THE NORTHWEST SECTION CORNER OF SECTION 9, TOWNSHIP 15 SOUTH, RANGE 12 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE SUNNYSIDE JUNCTION QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE SW1/4, NW1/4 OF SECTION 9, T15S, R12E, S.L.B.&M., BEING 2126.29' SOUTH AND 1103.58' EAST FROM THE NORTHWEST CORNER OF SECTION 9, T15S, R12E, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



Talon Resources, Inc.
375 South Carbon Avenue, Suite 101
Preston, Utah 84501
Ph: 435-637-8781
Fax: 435-636-8603

EDP RESOURCES

WELL EDP #1

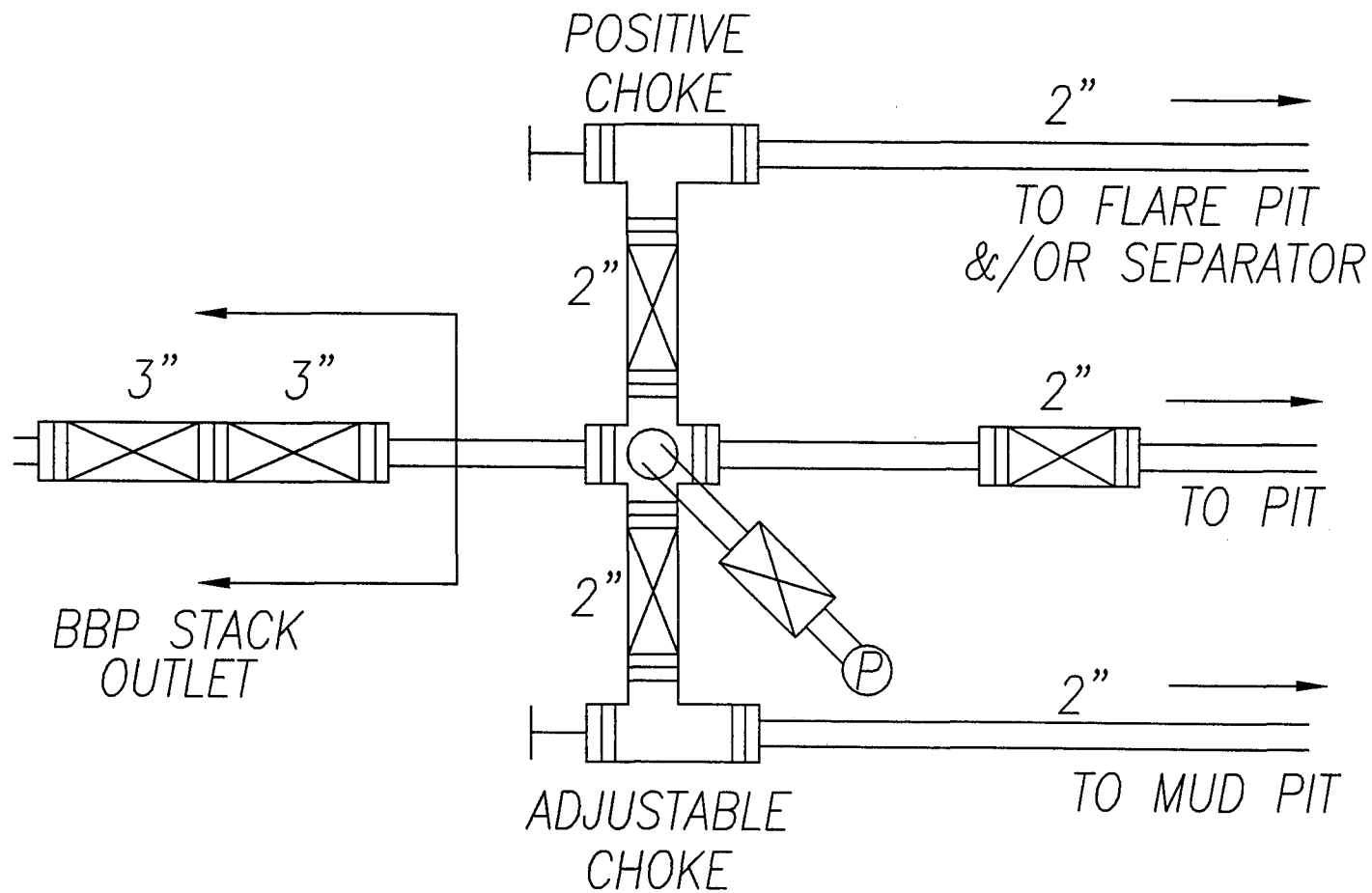
Section 9, T15S, R12E, S.L.B.&M.
Carbon County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-1	Date: 09/28/01
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 000

GRAPHIC SCALE

0 500' 1000'
(IN FEET)
1 inch = 1000 ft.

CHOKE MANIFOLD



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/01/2001

API NO. ASSIGNED: 43-007-30818

WELL NAME: EDP 1

OPERATOR: EDP RESOURCES LLC (N1960)

CONTACT: DON HAMILTON, AGENT

PHONE NUMBER: 435-637-8781

PROPOSED LOCATION:

SWNW 09 150S 120E

SURFACE: 2126 FNL 1104 FWL

BOTTOM: 2126 FNL 1104 FWL

CARBON

UNDESIGNATED (2)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-77512

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: DVNN

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT-1238)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. PRWID)

☒ RDCC Review (Y/N)

(Date:)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit

☐ R649-3-2. General

☒ Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ ~~R649-3-3. Directional~~

☐ Drilling Unit

Board Cause No:

Eff Date:

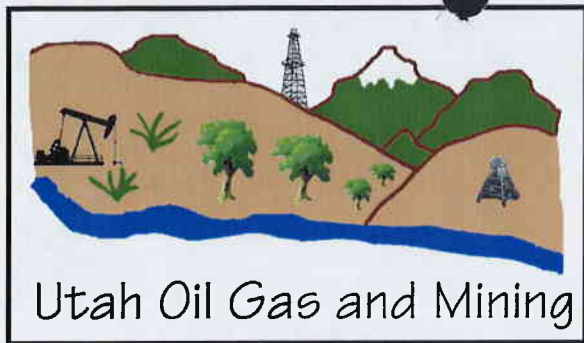
Siting:

☐ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Fed. Approval
2- Spacing Stip.

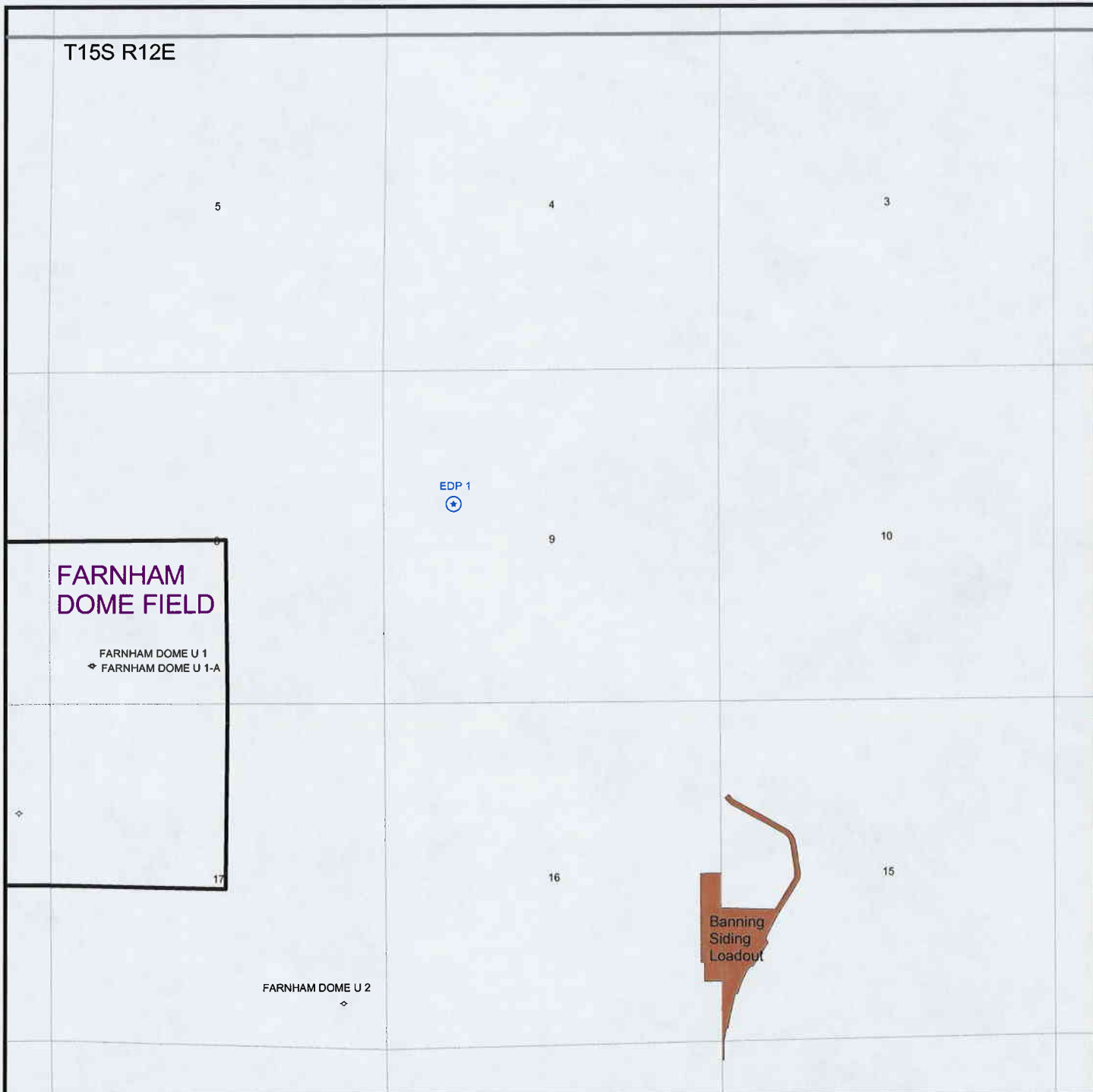


OPERATOR: EDP RESOURCES LLC (N1960)

SEC. 9, T15S, R12E

FIELD: UNDESIGNATED (002)

COUNTY: CARBON SPACING: R649-3-3/EX LOC





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

November 1, 2001

EDP Resources, LLC
2065 Sidewinder Drive, Suite 203
Park City, UT 84060

Re: EDP 1 Well, 2126' FNL, 1104' FWL, SW NW, Sec. 9, T. 15 South,
R. 12 East, Carbon County, Utah

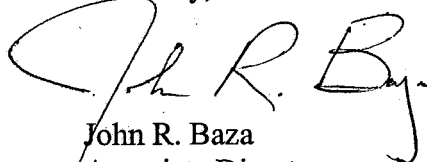
Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30818.

Sincerely,



John R. Baza
Associate Director

dm

Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office

Operator: EDP Resources, LLC
Well Name & Number EDP 1
API Number: 43-007-30818
Lease: UTU 77512

Location: SW NW Sec. 9 T. 15 South R. 12 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



Don Hamilton

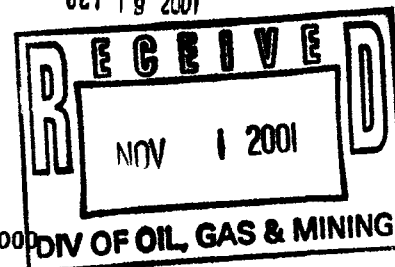
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
3104
UTU-77512
(UT-924)

OCT 19 2001



DECISION

Obligor:

EDP Resources
2065 Sidewinder Drive, Suite 203
Park City, Utah 84060

Bond Amount: \$10,000
Bond Type: Individual Oil and Gas

Financial Institution:

Zions First National Bank
Attn: June A. Brazerol
1100 Snow Creek Drive
Park City, Utah 84060

Lease Number: UTU-77512
BLM Bond No.: UT-1238

**Oil and Gas Individual Lease Personal Bond and
Certificate of Deposit Accepted**

On October 15, 2001, this office received an executed bond form and a copy of Time Deposit Conditions and Receipt in the amount of \$10,000. Both documents have been examined and are accepted effective October 15, 2001, the date of filing.

The Time Deposit and Receipt (No. 520-900055-2), issued by the above financial institution, was purchased by EDP Resources, Inc. to secure a bond for oil and gas lease UTU-77512. A copy of the Time Deposit will be retained by the Bureau of Land Management (BLM) and will automatically renew every year until all terms and conditions of the lease have been fulfilled or until a satisfactory replacement bond has been accepted by the BLM. A signature card has been signed by an authorized officer of the BLM who will be the only party able to redeem this Time Deposit until such a time as the bond is no longer required.

The bond will be maintained by this office and constitutes coverage of all operations conducted by the Obligor on this lease. The bond provides coverage for the obligor where they have interest in, and/or responsibility for operations on, lease UTU-77512.

If you have any questions, please contact Connie J. Scare of this office at (801) 539-4111.

Robert Lopez
 Chief, Branch of
 Minerals Adjudication

cc: Price Field Office

TALON RESOURCES, INC.

375 S. Carbon Ave. (A-10), Suite 101, Price, Utah 84501
Phone: (435) 637-8781 (435) 650-1403 Fax: (435) 636- 8603

Fax Transmittal Cover Sheet

Date: 11-01-01

Number of pages: 2

Message To: Lisha Cordova - DOGM

Telephone Number: 1-801-538-5277

Fax Number: 1-801-359-3940

Lisha

Peter with EDP Resources, L.L.C. sent this document to me in response to our earlier conversation. It is a different bond document than what I am used to seeing but thought it would probably work.

Please feel free to contact me if you have any questions or need additional information

D. Hamilton

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NOV 01 2001

**DIVISION OF
OIL, GAS AND MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-77512
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR EDP Resources, L.L.C.		7. UNIT AGREEMENT NAME N/A
3. ADDRESS AND TELEPHONE NO. 2065 Sidewinder Drive, Ste. 203, Park City, Utah 84060 435-645-3901		8. FARM OR LEASE NAME, WELL NO. EDP #1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 2126' FNL, 1104' FWL At proposed prod. zone		9. API WELL NO. 43-007-30818
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8.18 miles southeast of Wellington, Utah		10. FIELD AND POOL, OR WILDCAT Wildcat
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1104'	16. NO. OF ACRES IN LEASE 1123.76	11. SEC., T., R., M., OR BLK. A SW/4 NW/4, Section 9, T15S, R12E, SLB&M
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None'	19. PROPOSED DEPTH 8200'	12. COUNTY OR PARISH Carbon
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5570' GR		13. STATE Utah
23. PROPOSED CASING AND CEMENTING PROGRAM		17. NO. OF ACRES ASSIGNED TO THIS WELL 40 acres
22. APPROX. DATE WORK WILL START* November 1, 2001		20. ROTARY OR CABLE TOOLS Rotary

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H-40 ST&C	48 #/ft	60'	36 cf/surface Class G cement + 3% CaCl ₂
12-1/4"	9-5/8" K-55 ST&C	36 #/ft	3000'	950 cf/surface Class G cement + 2% CaCl ₂ + LCM
7-7/8"	5-1/2" K-55 LT&C	15.5 #/ft	8200'	900 cf/surface Class G Lite Lead + Lite Lead + 2% LCM, Class G tail

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NOV 19 2001

DIVISION OF
OIL, GAS AND MINING

RECEIVED
OIL & GAS FIELD OFFICE
NOV 19 2001
P 2:05

CONDITIONS OF APPROVAL ATTACHED

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Don Hamilton Don Hamilton TITLE Agent for EDP Resources, L.L.C. TE 9-28-01

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

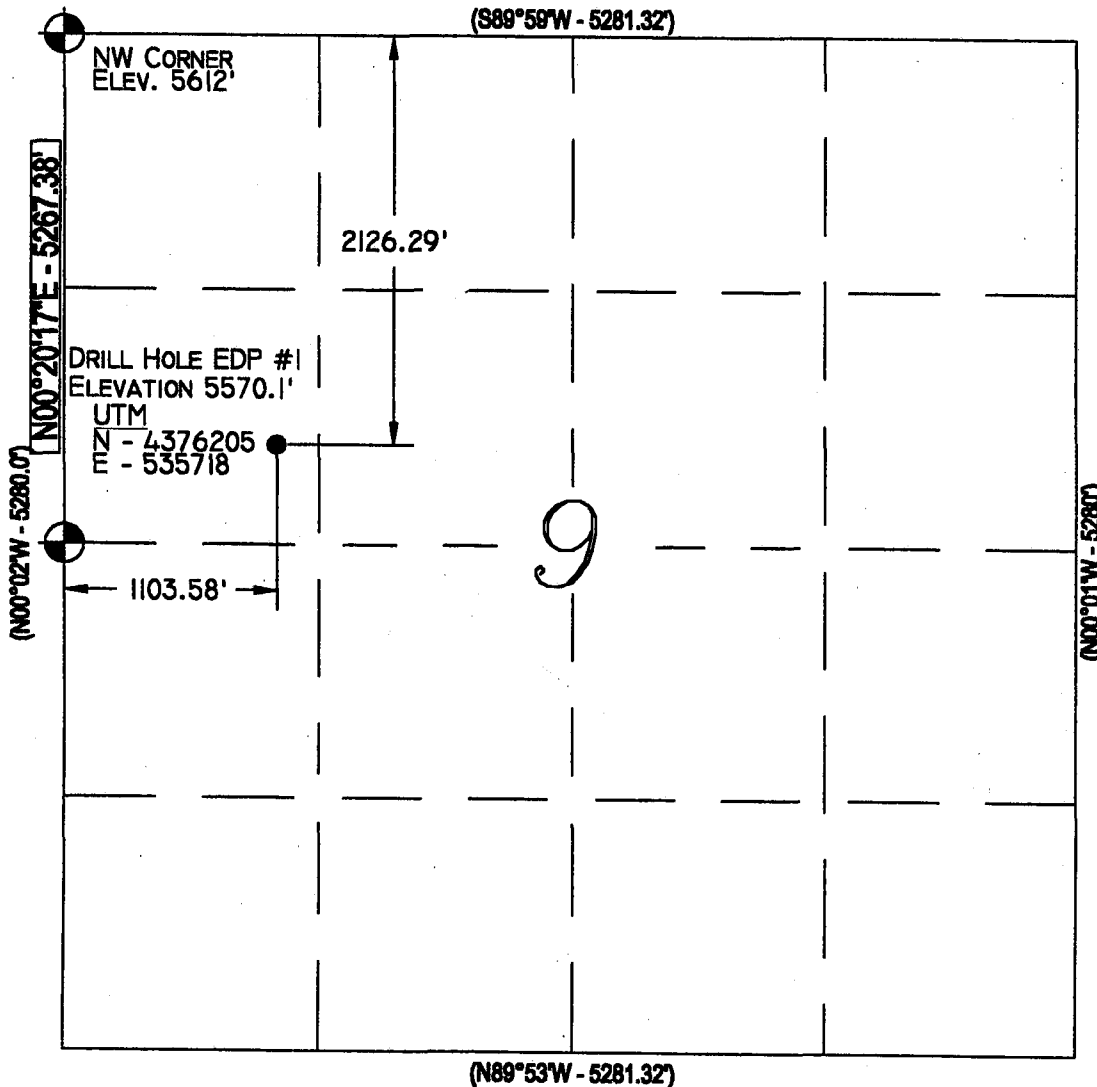
APPROVED BY /S/ WILLIAM C. STRINGER TITLE Assistant Field Manager, DATE NOV 13 2001
Division of Resources

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

Range 12 East

Township 15 South



Legend

- Drill Hole Location
- Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO

GPS Measured

NOTES:
1. UTM AND LATITUDE / LONGITUDE COORDINATES
ARE DERIVED USING A GPS PATHFINDER AND ARE
SHOWN IN NAD 27 DATUM.

LAT / LONG
39°32'12"N
110°35'04"W

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700
GPS SURVEY GRADE UNIT.

Basis of Bearing:

THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED
FROM THE U.S. LAND OFFICE.

Basis of Elevation:

BASIS OF ELEVATION OF 5612' BEING AT THE NORTHWEST SECTION CORNER
OF SECTION 9, TOWNSHIP 15 SOUTH, RANGE 12 EAST, SALT LAKE BASE
AND MERIDIAN, AS SHOWN ON THE SUNNYSIDE JUNCTION QUADRANGLE 7.5 MINUTE
SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE SW1/4, NW1/4 OF SECTION 9,
T15S, R12E, S.L.B.&M., BEING 2126.29' SOUTH AND 1103.58' EAST
FROM THE NORTHWEST CORNER OF SECTION 9, T15S, R12E, SALT
LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional
Land Surveyor, holding Certificate 146652
State of Utah, do hereby certify that the
information on this drawing is a true and
accurate survey based on data of record and
was conducted under my personal direction
and supervision as shown hereon.



GRAPHIC SCALE

0 500' 1000'

(IN FEET)

1 inch = 1000 ft.



Talon Resources, Inc.
375 South Carbon Avenue, Suite 101
Price, Utah 84501
Ph: 435-637-8781
Fax: 435-636-8603

EDP RESOURCES

WELL EDP #1

Section 9, T15S, R12E, S.L.B.&M.
Carbon County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W. STANSFIELD
Drawing No. A-1	Date: 09/24/01
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 000

Bureau of Land Management
Moab District
Application for Permit to Drill
On-Site Inspection Checklist

Company: EDP Resources, L.L.C. Well No.: EDP #1

Location: *SW/4 NW/4, Section 9, T15S, R12E SLB & M*

Lease No.: *Federal UTU-77512*

On-Site Inspection Date: *September 9, 2001*

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location: *As shown on Exhibit "B"; Follow SR-6 to the gravel surfaced Clark Valley Access Road. Follow the Clark Valley Access Road for 350' northeast and turn southeast on the existing old SR-6 highway grade. Follow the highway grade southeast along the pin-flagged route for approximately 3,300'.*
- b. Location of proposed well in relation to town or other reference point: *Approximately 8.18 miles southeast of Wellington, Utah.*
- c. Contact the County Road Department for use of county roads. The use of Carbon County roads will require an encroachment permit from the Carbon County Road Department.: *The Clark Valley Access Road existing encroachment will be upgraded to access the old SR-6 highway grade in which an application to encroach is approved.*
- d. Plans for improvement and/or maintenance of existing roads: *No state or county roads will be improved upon as part of this project, however, an existing access encroachment from the Clark Valley Access Road will be upgraded to facilitate the development.*
- e. Other:

2. Planned Access Roads:

- a. Location (centerline): *From the existing old SR-6 highway grade, approximately 2,200' FNL, 135' FWL, Section 9, T15S, R12E, follow the pin-flagged route northeast, then north to the well site EDP #1 across undeveloped lands*
- b. Length of new access to be constructed: *Approximately 1,750'*
- c. Length of existing roads to be upgraded: *Approximately 3,300'*
- d. Maximum total disturbed width: *60'*
- e. Maximum travel surface width: *25'*

- f. Maximum grades: 10%
- g. Turnouts: *None*
- h. Surface materials: *Native*
- i. Drainage (crowning, ditching, culverts, etc): *If the well is productive the road will be upgraded to BLM Resource (Class III) Road standards and drainage structures will be installed.*
- j. Cattleguards: *One gate will be installed during the initial exploration phase. If the well is productive the gate will be replaced with a cattle guard / cow gate combination all of Powder River quality.*
- k. Length of new and/or existing roads which lie outside the lease boundary for which a BLM right-of-way is required: 3,200', see Exhibit "I".
- l. Other:

Surface disturbance and vehicular travel will be limited to the approved location access road. Any additional area needed must be approved by the Area Manager in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of way grant, the prior onlease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road standards. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. Location of Existing Wells - on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: *None; See Exhibit "B"*
- 4. Location of Production Facilities:
 - a. On-site facilities: *See Exhibit "E"*
 - b. Off-site facilities: *None*
 - c. Pipelines: *N/A*

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as

follows: *Light Grey*.

All site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3
Colors will be as follows: *Light Grey*.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit. If water is produced from the well, an application must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on A map): *All water needed for drilling will be obtained from a local municipal water source or a properly permitted diversion along the Price River.*

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): *Private Owner in Price*

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

Any gravel used will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be located: *Inbound and along the north side of the pad.*

The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit will be lined with native material unless designated otherwise by BLM officers prior to construction. Pit walls will be sloped no greater than 2 to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be field fenced before drilling starts. The fourth side will be field fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: Garbage Containers and Portable Toilets
9. Well Site Layout - depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1" = 50'. See Exhibit "A".

All well, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

Access to the well pad will be from: *South*

The blooie line will be located: *At least 100 feet from the well head.*

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: *Water Injection.*

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: *Adjacent land west of the drill site.*

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept. and Nov., or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: *BLM-recommended Sagebrush mixture.*

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, Well name and surveyed description (township, range, section and either quarter-quarter or footage.).

Additional requirements:

11. Surface and Mineral Ownership: *Federal; Bureau of Land Management*

12. Other Information:

a. Archeological Concerns: *None that the operator is aware of.*

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work That might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

1. whether the materials appear eligible for the National Register of Historic Places;
2. the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
3. a time frame for the AO to complete an expedited review under 36 CFR 800.111 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Threatened and Endangered Species Concerns: *None that the operator is aware of.*

c. Wildlife Seasonal Restrictions (yes/no): *Antelope fawning*

d. Off Location Geophysical Testing: *N/A*

e. Drainage crossings that require additional State or Federal approval: *None*

f. Other:

13. Lessee's or Operator's Representative and Certification

Representative: EDP Resources, L.L.C.

Name: Peter Yogman

Title: Partner

Address: 2065 Sidewinder Drive
Suite 203
Park City, Utah 84060

Phone No: 435-645-3901

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EDP Resources and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under EDP's pending BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 9-27-01

Title: Environmental Manager / Project Coordinator

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location - Contact the Resource Area, Natural Resource Protection Specialist at least 24 hours prior to commencing construction of location.

Spud - The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hold digger or big rig.

Daily Drilling Reports - Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations - In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices - There will be no deviation from the proposed drilling and/or workover program without prior approval from the Assistant District Manager. "Sundry Notices and Reports on Wells: (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling suspensions - Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events - Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTLA.

Cultural Resources - If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First production - Should the well be successfully completed for production, the Assistant District Manager, Minerals Division will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report - Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analysis, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings and/or samples) will be submitted when requested by the Assistant District Manager.

Venting/Flaring of Gas - NTL-4A allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 Mmcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

Produced Water - Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the Assistant District Manager for approval.

Off-Lease Measurement, Storage, Commingling - Prior approval must be obtained from the Assistant District Manager for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment - If the well is completed as a dry hole, plugging instructions must be obtained from the BLM, Moab District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Assistant District Manager, Minerals Divisions within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1
NOTIFICATIONS

Notify Don Stephens of the Price Resource Area, at (435) 636-3608 for the following:

2 days prior to commencement of dirt work construction or reclamation;

1 day prior to spudding

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOPE;

12 hours prior to reaching kickoff point depth (if applicable).

If the person at the above number cannot be reached, notify the Moab District Office at (435) 259-6111. If unsuccessful, notify one of the people listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (435) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (435) 259-6111

Home: (435) 259-2214

EXHIBIT 'D'
8-Point Drilling Program

EDP #1
2126' FNL, 1104' FWL
SW/4 NW/4, SECTION 9; T15S, R12E
CARBON COUNTY, UTAH

Company: EDP Resources, L.L.C.
2065 Sidewinder Drive, Suite 303
Park City, Utah 84060

Location: Sec. 09, T15S, R 12E

Lease No. UTU-77512

Projected Start Date: November 1, 2001

Projected Duration: 50 to 80 days (estimated)

Rig: TBA

1. **SURFACE FORMATION AND ESTIMATED FORMATION TOPS**

Surface Formation: Upper Mancos Shale

Estimated Formation Tops:

<u>FORMATION</u>	<u>MEASURED DEPTH</u>
Bluegate	Surface
Ferron	500'
Tununk	700'
Dakota + Cedar Mountain	1000'
Morrison	1300'
Summerville	1810'
Curtis	2110'
Entrada	2255'
Carmel	2658'
Navajo	3080'
Kayenta	3352'
Wingate	3457'
Chinle	3857'
Shinarump	3969'
Moenkopi	4053'
Sinbad	4630'
Black Dragon	4750'
Kaibab	5087'
White Rim	5241'
Pakoon	5798'
Callville	6350'
Doughnut	6924'
Humbug	7384'
Redwall	7639'
Devonian	8184'
Estimated TD	8250'

2. ESTIMATED DEPTH OF EXPECTED OIL, GAS, OR WATER ZONES

<u>FORMATION</u>	<u>MEASURED DEPTH</u>	<u>OIL, GAS, OR WATER</u>
Summerville/ Curtis	1900'	Water
Summerville to Navajo top	1900-3030'	Water
Navajo thru Wingate	3080'-3457'	CO ₂ & Gas
Moenkopi	4053'	Oil & Gas
Sinbad	4630'	Oil
Kaibab	5087'	CO ₂ & Gas
White Rim Sandstone	5241'	Gas
Pakoon	5798'	Gas
Callville	6170'	Gas
Doughnut	6824'	Gas
Humbug	7384'	Gas
Redwall	7684'	Gas
Devonian	8184'	Gas

Oil, gas, and water zones encountered while drilling the subject well will be recorded by depth and will be cased and cemented. An attempt will be made to estimate flow rates for each fluid or gas encountered.

3. PRESSURE CONTROL EQUIPMENT

Blowout prevention equipment (BOPE) for the subject well will comply with Onshore Oil and Gas Order No. 2 and API Bulletin RP53. For drilling of the surface hole to an approximate measured depth of 3000', a 2M annular preventer will be used along with a 2M choke manifold, to provide pressure control. A hydraulically operated, remotely controlled accumulator will be used to operate the annular preventer. The accumulator will utilize a nitrogen backup system for closing the annular preventer, and be of sufficient capacity to meet the closing requirements contained in Onshore Order No. 2. The annular preventer will be tested to 50% of its rated capacity when it is rigged up.

After setting 9-5/8" casing at 3000', the BOPE shall consist of a 2M hydraulically operated double ram preventer, with pipe rams and blind rams. (See attached BOPE schematic.) A hydraulically operated, remotely controlled accumulator will be used to operate the rams. The accumulator will utilize a nitrogen backup system for closing the rams, and be of sufficient capacity to meet the closing requirements contained in Onshore Order No. 2. If a test plug is used, the double rams will be tested to 100% of their rated working pressure when rigged up; otherwise, the rams will be tested to 70% of the burst pressure for the surface casing. A 2M choke manifold will be rigged up and tested to 2M upon rig up. (See attached choke manifold diagram for specific layout.) Both annular and ram preventers shall be function tested at least once weekly, and/or on every trip out of the hole. BOP drills shall be held once weekly with each crew, and shall be

recorded on the daily IADC form and drilling report. The 9 5/8" casing will be tested to 0.22 psi/ft prior to drilling float equipment. Maximum anticipated surface pressure (MASP) is expected to be less than 1897 psi. (A normal pressure gradient of 0.45 psi/ft minus 0.22 psi/ft gradient [partially evacuated hole] at 8250' TD). The probable MASP, based on an expected gradient of 0.413 psi/ft, is 1592 psi.

4. CASING PROGRAM AND AUXILIARY EQUIPMENT

Following is a summary of the proposed casing program. New casing will be used for all strings. The cement volumes are based on gauge hole. Excess cement will be added based on caliper volumes, hole conditions, and/or minimum excess requirements.

Hole Size	Casing Size	Casing Weight	Casing Grade & Threads	Casing Depth	Cement Volume/ Top	Cement Type
17 1/2"	13 3/8"	48#/ft	H-40 ST&C	60'	36 cf/Surface	Class G + 3% CaCl ₂
12 1/4"	9 5/8"	36.0#/ft	K-55 ST&C	3000'	950 cf/surface	Class G + 2% CaCl ₂ + LCM
7 7/8"	5 1/2"	15.5#/ft	K-55 LT&C	8200'	900 cf/surface	Class G Lite Lead + LCM, Class G tail

5. CEMENT PROGRAM

The conductor casing will be cemented to a depth of 60', and will be cemented to surface. Cement will be either redi-mix, or Class G w/ addition of 3% CaCl₂.

The 9 5/8" surface casing will be set to a depth of 3000' and will be cemented to surface, through a float shoe and float collar separated by one shoe joint, using gauge volume of 950 cf (825 sx) of Class G cement with additions of 2% CaCl₂ and up to 1/2 #/sx celloflake. The cement will be mixed at 15.8 ppg with a yield of 1.15 cf/sx.

If lost circulation is severe while drilling the surface hole, the density of the mix will be reduced, causing the resulting yield to increase. This may include use of 50/50 Pozmix cement plus 2% bentonite (yielding 1.29 cubic feet per sack at a density of 14.2 ppg), a thixotropic cement blend (which has significantly faster setting times), or Lite cement, with 100 sx of Class G tail. A minimum of 8 hours will pass before the casing shoe is drilled to allow the cement to cure to a minimum compressive strength of 500 psi. The cement plug will be bumped with 500 psi over late pumping pressures, and the floats will be checked for positive seal. If the floats do not hold, 500 psi will be held on the casing for a minimum of 6 hours to allow the cement to cure. The surface casing will be tested to 1500 psi before drilling out the casing shoe. Because the bottom-hole pressure is expected to be less than normal (e.g., 0.413 psi/ft), no casing shoe test will be performed.

The 5 1/2" production casing will be cemented to the 9 5/8" casing shoe (approx. 5200' of cement fill) through a float shoe and float collar separated by one shoe joint. A Class G Lite cement with additions of 2% CaCl₂ and up to 1/2 #/sx of cellophane flake will be used as fill cement from 3000' to 4000'. The Lite cement will be mixed at 11.6 ppg with a yield of 2.25 cf/sx. Approximately 100 sx of Lite cement will be used as lead cement. The tail cement will be designed to cover from 4000' to 8200' TD (4200' of fill), and will be Class G with additions of 2% CaCl₂ and up to 1/2 #/sx of cellophane flake. The tail cement will be mixed at 15.8 ppg with a yield of 1.15 cf/sx. If lost circulation is severe while drilling the surface hole, the density of the mix will be reduced, a thixotropic cement blend will be evaluated, or more Lite cement used. The cement plug will be bumped with 500 psi over late pumping pressures, and the floats will be checked for positive seal. If the floats do not hold, 500 psi will be held on the casing for a minimum of 6 hours to allow the cement to cure. Prior to production testing, the casing will be tested to 70% of internal yield pressure.

6. DRILLING MUD PROGRAM

The following drilling mud properties can be expected while drilling the subject well:

Interval	Mud Weight	Viscosity	Water Loss	Mud Type
0'-60'	8.34 ppg	28 sec/qt	NC	Fresh Water
60'-3000'	8.5-8.8 ppg	45-65 sec/qt	8-10 cc/30 min	FW, gel, polymer, soda ash, caustic soda, LCM @ 20#/bbl
3000'-8250'	8.8-9.1 ppg	45-65 sec/qt	8-10 cc/30 min	FW, gel, polymer, soda ash, caustic soda, LCM @ 20#/bbl

Moderate to severe lost circulation is expected during the drilling of the surface and production sections of hole on the subject well. The drilling mud will circulated through steel pits and will be pre-treated with 15-30 #/bbl of lost circulation material, including: mica, sawdust, cottonseed hulls, and cedar fiber. The shale shaker will be bypassed during a majority of the drilling to keep the LCM in the system. Solids control will be accomplished via periodic dumping solids from the steel pits, and additions of a drilling flocculant to assist in dropping out of solids to prevent recirculation of solids.

7. CORING, LOGGING, AND TESTING PROGRAM

No cores are anticipated during the drilling of this well.

DSTs will be conducted in accordance with Onshore Order No. 2. Up to four DSTs are anticipated during the drilling of this well, but specific zones cannot be identified at this time.

The EDP geologist will determine zones to be drill stem tested. Zones will be identified by drilling breaks, structural geology interpretations, sample shows, gas shows, etc. All DSTs are planned as bottom hole tests, however, no DST is to be over an interval longer than 150'. DST results will be promptly reported to the appropriate BLM field office. DSTs will only be opened or flowed during daylight hours.

Proposed Open and shut in time intervals are as follows:

Initial open=15 minutes

Initial shut in=60 minutes

Final Open= 60 minutes

Final shut in=90

If formation conditions warrant changes, the proposed time intervals may be altered.

Electric logs will be run on both the surface and production sections of hole. On both hole sections, the standard express tool combinations will be run (DIL/Sonic/Neutron-Density/GR/Cal). The logged intervals will be from 3000' to surface on the surface hole, and 8200' TD to 3000' surface casing for the production hole. It is anticipated that an NMR, or equivalent tool, will be run from the top of Kaibab to TD.

8. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURES, AND POTENTIAL HAZARDS

Trace amounts of H₂S can be found in this drilling area, but are not expected during the drilling of this well. As a precaution, however, H₂S monitoring will be conducted by the mud loggers from surface casing to total depth.

CO₂ is produced in the Farnham Dome field from wells near the crest of the structure. Depending on location, CO₂ is found in the Navajo and Wingate Formations from approximately 3000' to 3450'. No detection equipment or contingency plans are proposed for CO₂ production. However, the mud engineer will be prepared to treat the mud for CO₂ as needed.

Lost circulation is likely to be moderate to severe in this area. Pre-treatment of the mud system with 15-30 #/bbl of lost circulation material (mica, cottonseed hulls, cedar fiber, sawdust) will minimize losses. The shale shaker may be bypassed

during most of the drilling operations in order to keep a majority of the LCM in the system.

Bottom-hole pressure is expected to be normal or less than normal. Based on regional information, a pressure of 0.413 psi/ft is anticipated, resulting in an expected bottom-hole pressure of 3407 psi at TD of 8250'.

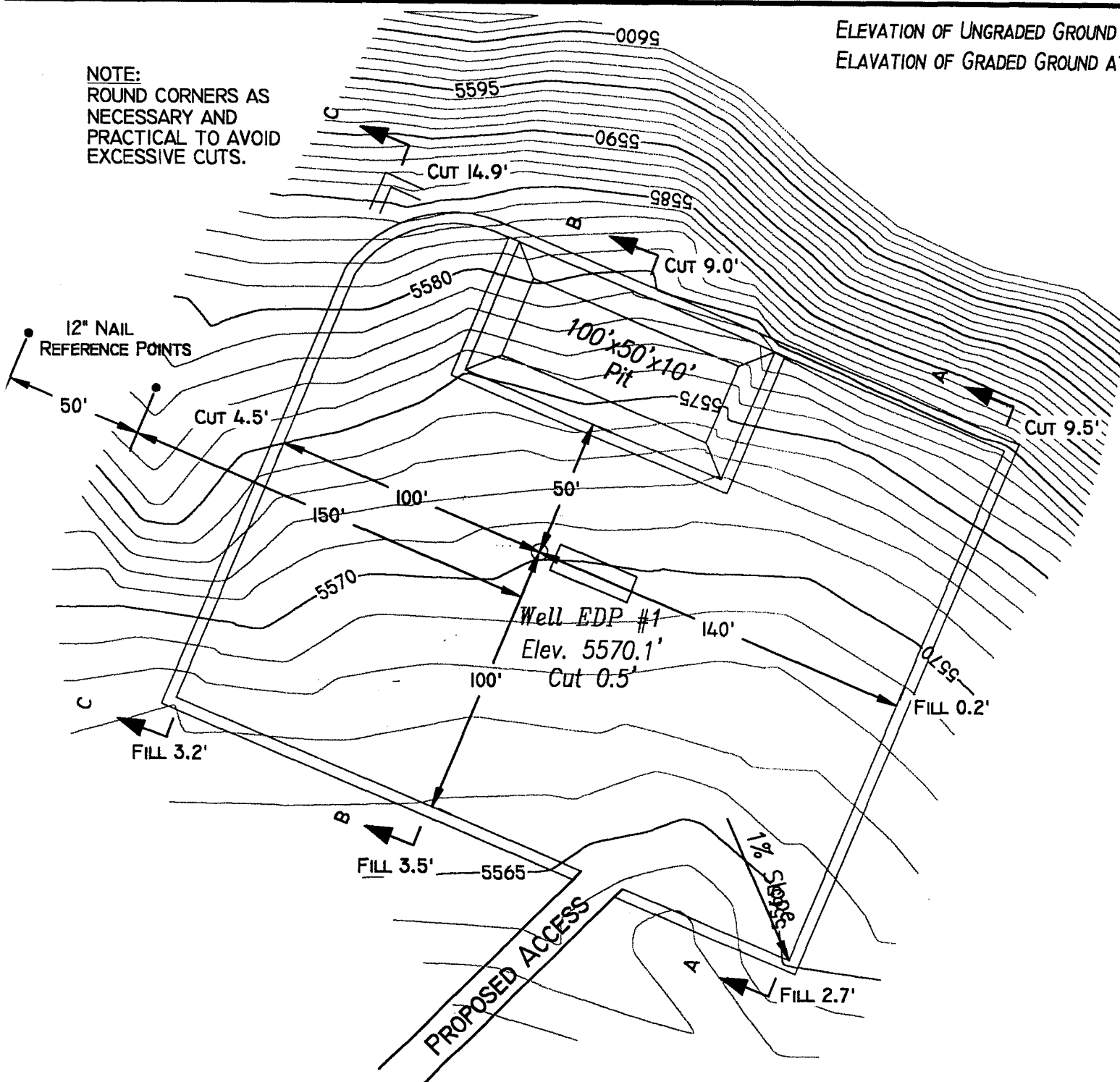
Data from offset wells indicate that expected bottom-hole temperature will be on the order of 175 degrees F.

9/25/2001

CONFIDENTIAL

NOTE:
ROUND CORNERS AS
NECESSARY AND
PRACTICAL TO AVOID
EXCESSIVE CUTS.

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5570.1'
ELEVATION OF GRADED GROUND AT LOCATION STAKE = 5570.6'

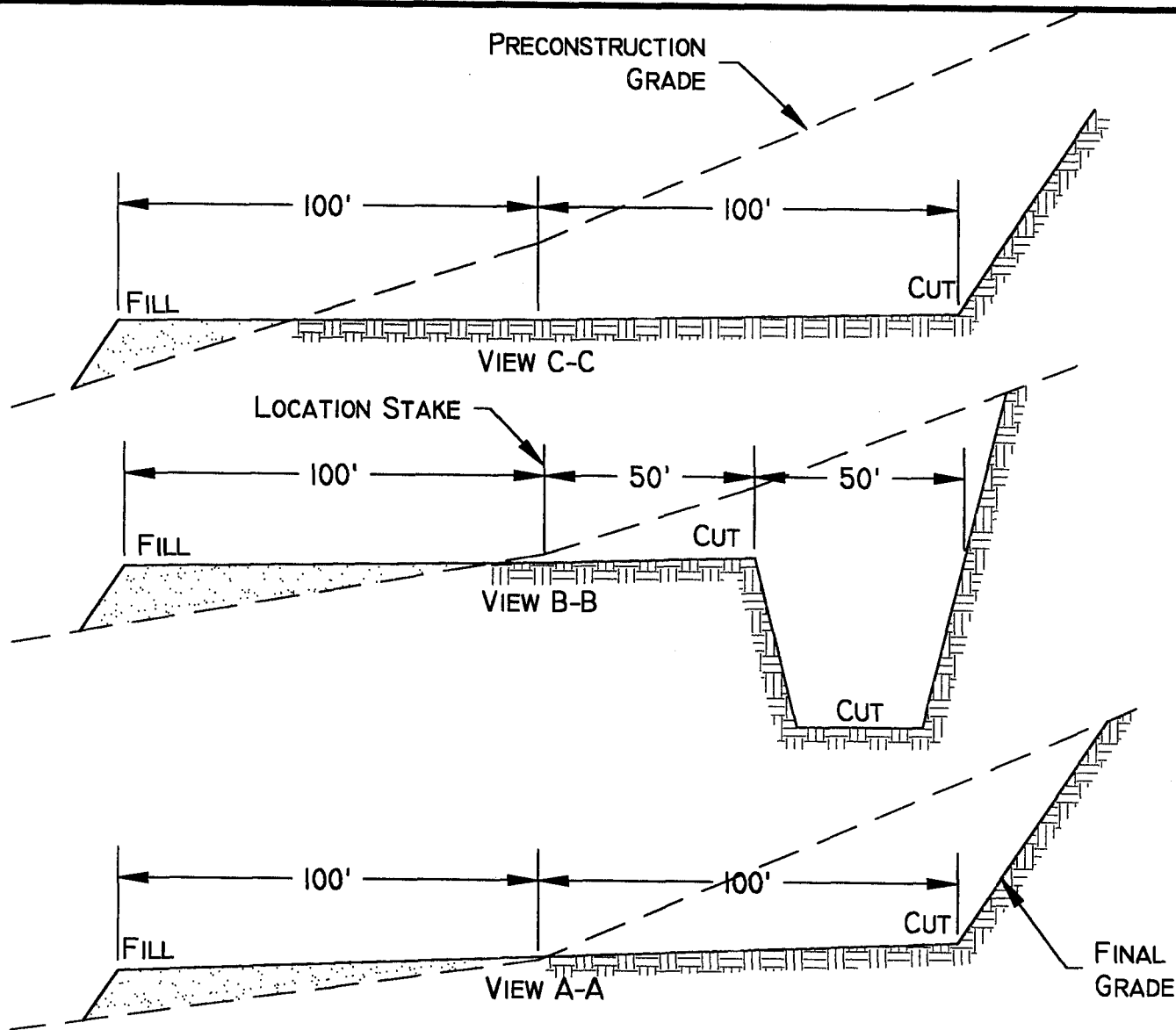


Talon Resources, Inc.
375 South Carbon Avenue, Suite 101
Preston, Utah 84501
Ph: 435-637-8781
Fax: 435-636-8603

**EDP RESOURCES
LOCATION LAYOUT**

Section 9, T15S, R12E, S.L.B.&M.
WELL EDP #1

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 09/18/01
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 000



$1'' = 10'$
 X-Section
 Scale
 $1'' = 40'$

SLOPE = 1 1/2 : 1
 (EXCEPT PIT)
 PIT SLOPE = 1 : 1



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

EDP RESOURCES
TYPICAL CROSS SECTION
 Section 9, T15S, R12E, S.L.B.&M.
WELL EDP #1

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 09/24/01
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 000

APPROXIMATE YARDAGES

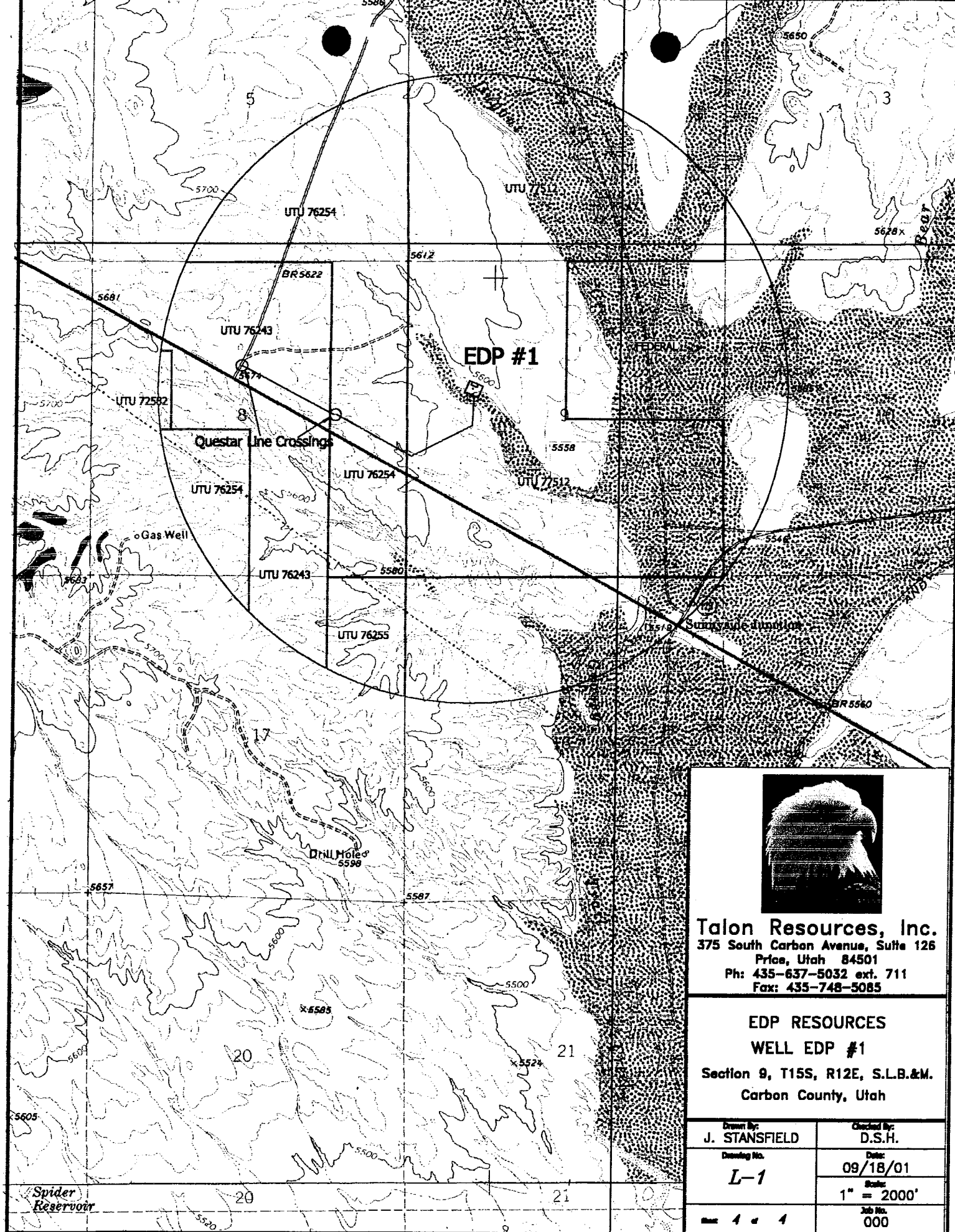
CUT

(6") TOPSOIL STRIPPING = 750 CU. YDS.

REMAINING LOCATION = 3,780 CU. YDS.

TOTAL CUT = 6,485 CU. YDS.

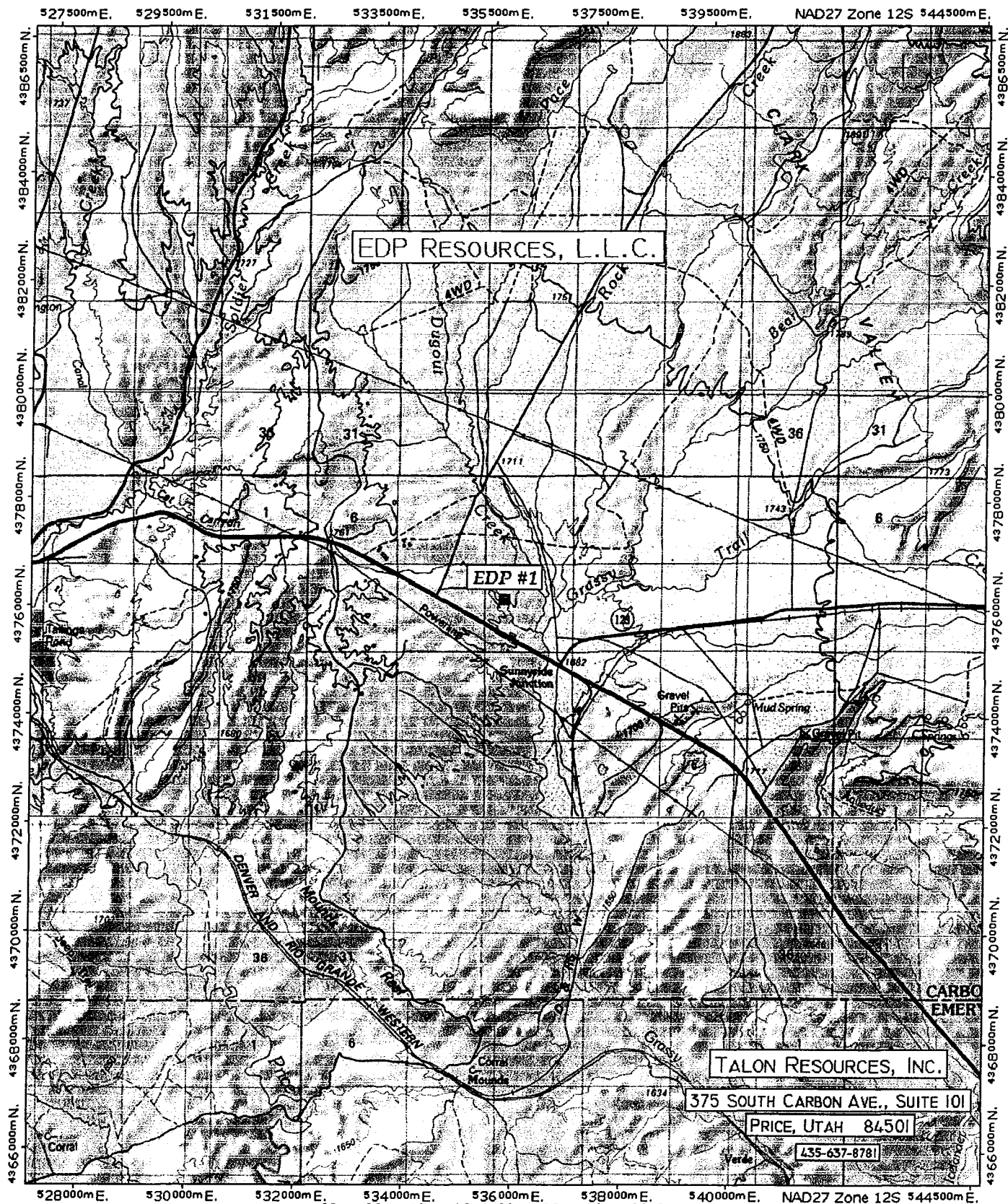
TOTAL FILL = 1,185 CU. YDS.



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 125
 Price, Utah 84501
 Ph: 435-637-5032 ext. 711
 Fax: 435-748-5085

EDP RESOURCES
WELL EDP #1
 Section 9, T15S, R12E, S.L.B.&M.
 Carbon County, Utah

Drawn By: J. STANSFIELD	Checked By: D.S.H.
Drawing No. L-1	Date: 09/18/01
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 000



EDP RESOURCES, L.L.C.

EDP #1

TALON RESOURCES, INC.

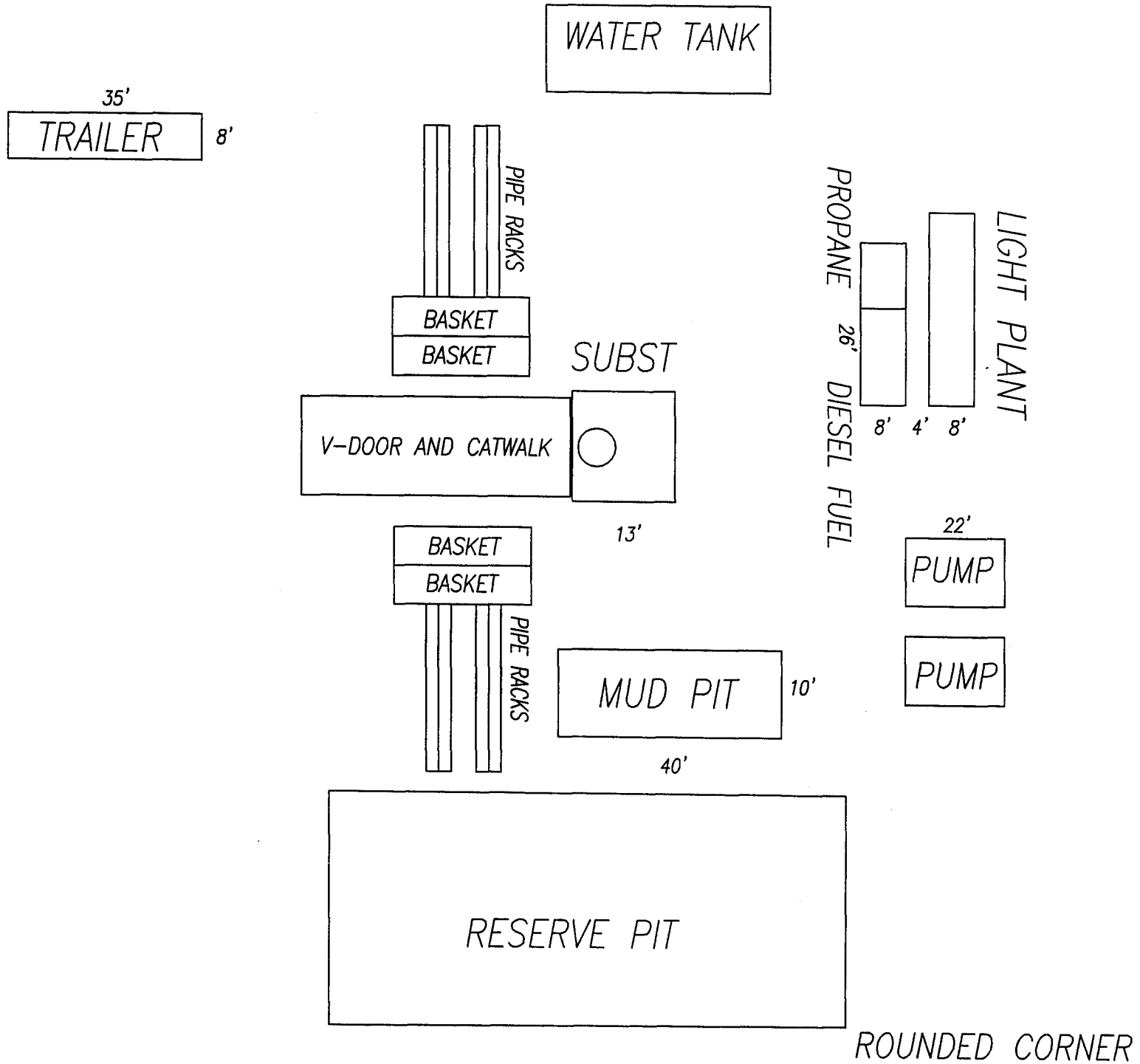
375 SOUTH CARBON AVE., SUITE 101

PRICE, UTAH 84501

435-637-8781

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APPROXIMATE DRILLING SITE LAYOUT
(Not to Scale)



ANCHOR (Typ 4 Pl)

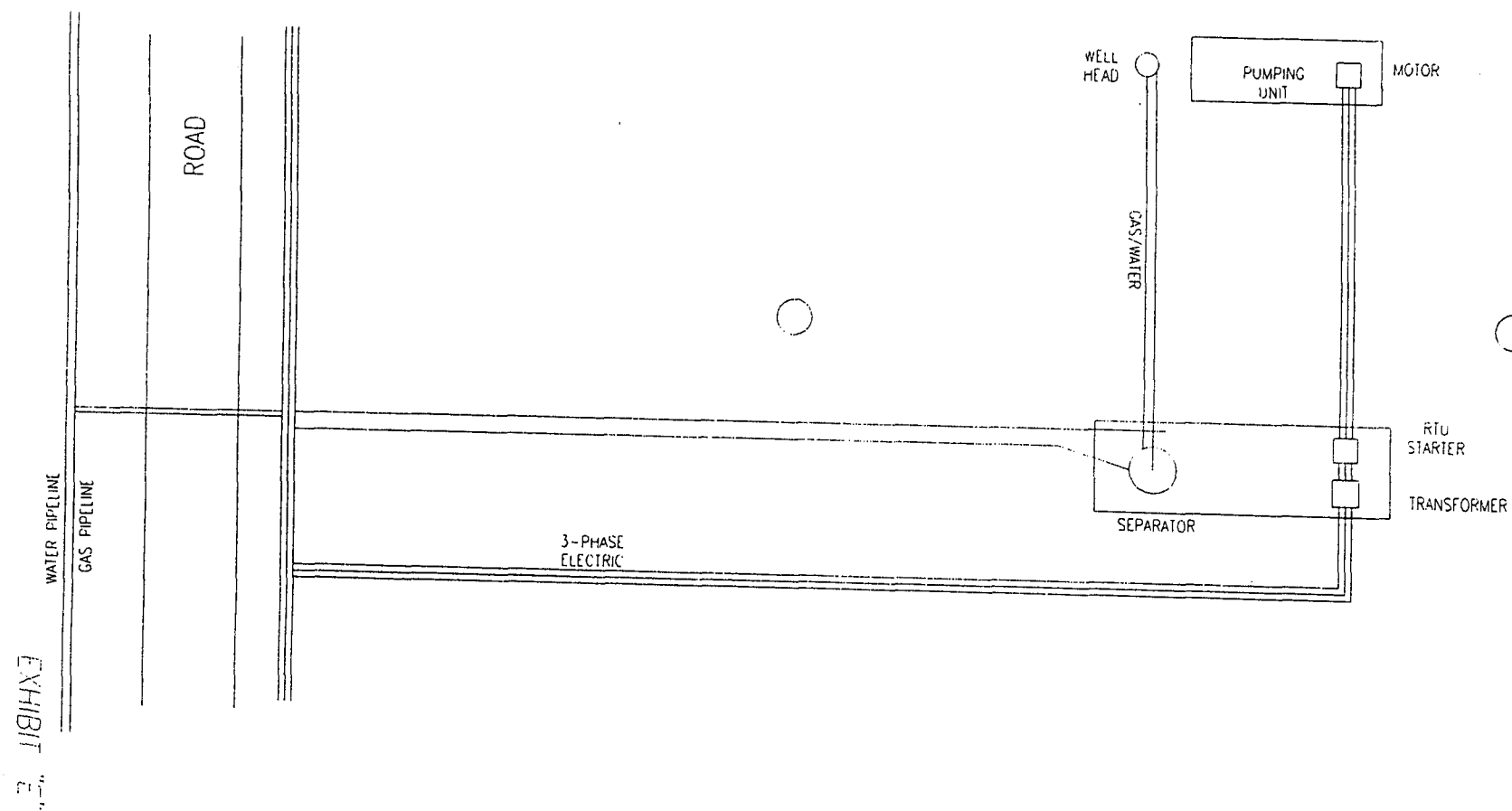
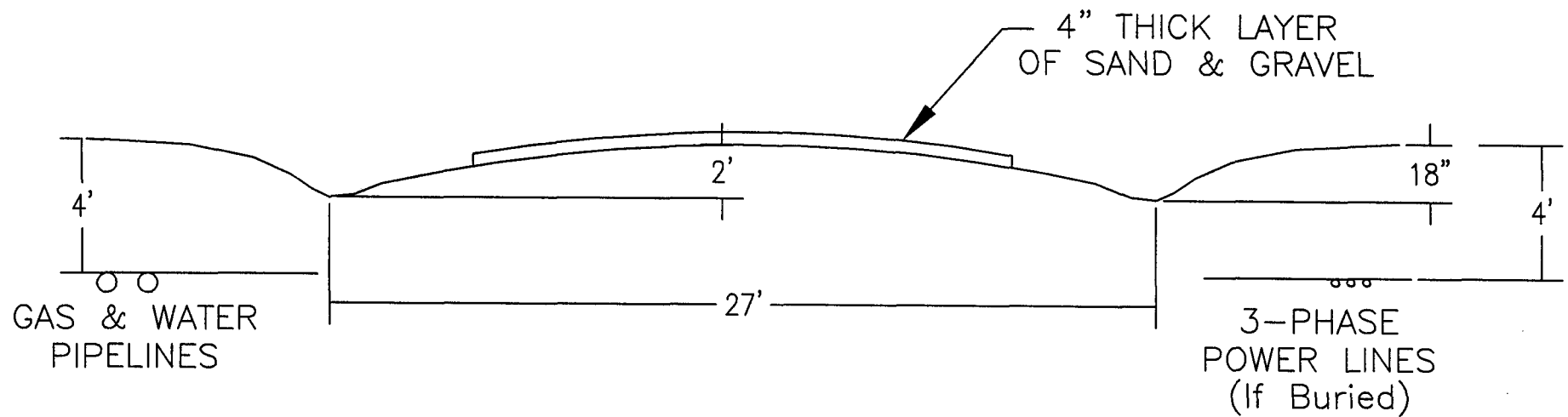


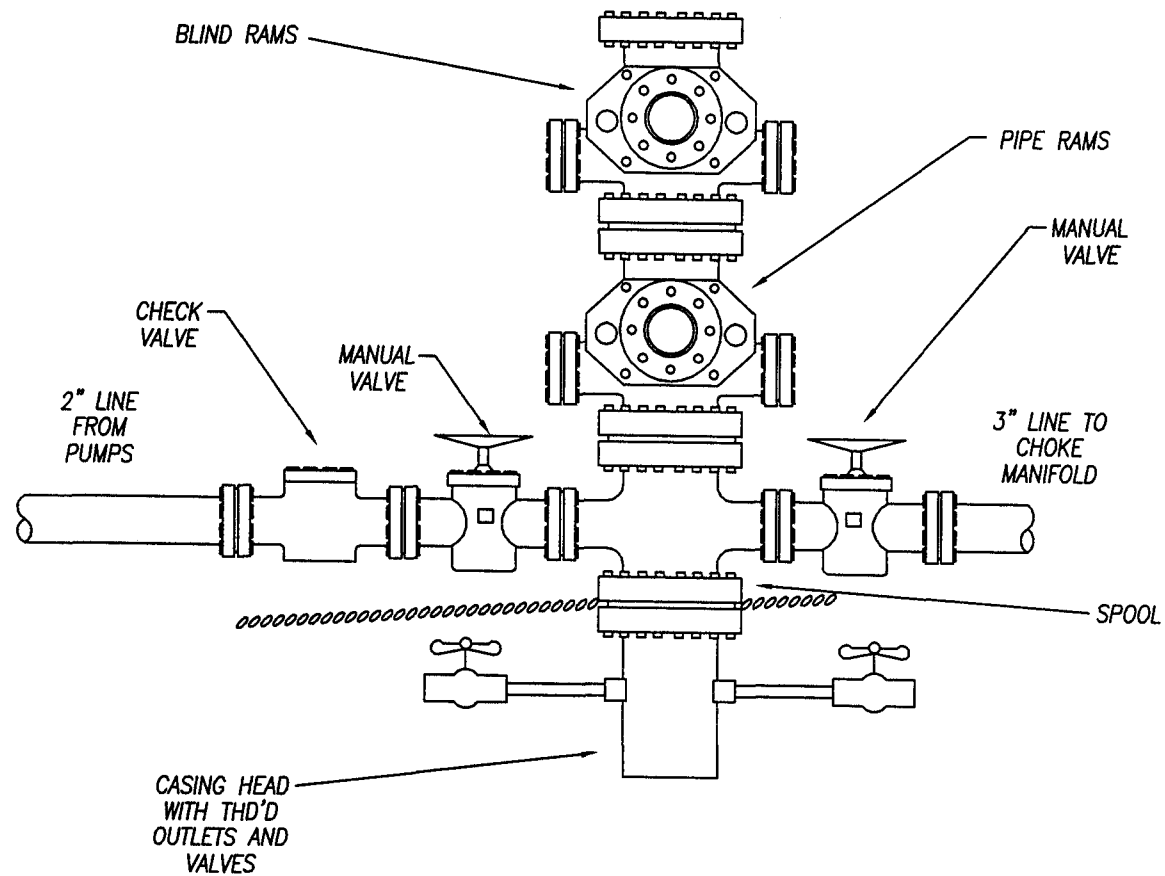
EXHIBIT "E"

TYPICAL ROAD CROSS-SECTION



BOP Equipment

2000psi WP



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

5. Lease Serial No.
UTU - 77512

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
EDP # 1

9. API Well No.
43-007-30818

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Carbon County, Utah

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EDP Resources, LLC

3a. Address 2065 Sidewinder Dr., Ste. 203 3b. Phone No. (include area code)
Park City, UT 84060 435-645-3901

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2126' FNL, 1104' FWL

T15S R13E SEC 09

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1. Drill the first 450 feet of hole with air/mist and an air head.
2. Change the annular BOP from 13 5/8" to 11".
3. Change the surface hole diameter from 12 1/4" to 10 5/8".
4. Change the surface casing from 9 5/8" 36# K-55 STC to 1100 feet of 8 5/8" 32# J-55 STC and the remainder (1400 to 1900 feet) 24# J-55 STC. The 32# casing will be run as follows: One to four joints of 32# on the top, and the remainder of the 32# on the bottom of the string.
5. Change the production casing (5 1/2") from K-55 grade to J-55 grade.

COPY SENT TO OPERATOR
Date: 12/10/01
Initials: LAD

BLM Bond #1238

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**RECEIVED**

DEC 07 2001

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Hal Demuth

Title Agent for EDP Resources, LLC

Signature

Date

11/20/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

EDP Resources, LLC
Well EDP No. 1
Lease U-77512
SW/NW Section 9 T15S, R12E
Carbon County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that EDP Resources, LLC is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT 1238 (Principal - EDP Resources, LLC) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed BOP system is in a 2M configuration. Although some components are rated for higher pressure, testing to the 2000 psi standard is acceptable. The proposed system is adequate for this use. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Cement behind the surface casing shall be circulated to surface, as proposed. The volume of cement proposed does not provide for any cement loss. Additional cement may be necessary to get complete circulation.
3. A cement bond log (CBL), cement evaluation tool (CET), temperature survey or other appropriate tool shall be run to determine the top-of-cement behind the production casing.
4. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.

EDP- 1

B. SURFACE USE

1. EDP shall have a seasonal protective closure from May10 to June 20 in which no drilling, road building or other drilling-related operations would be permitted. This closure is to protect pronghorn antelope fawning and habitat.
2. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Grisaille (2C23-5). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.
3. EDP shall coordinate with Questar Pipeline Company regarding the safety measures associated with the crossing of Questar pipelines along the access road.

GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.
4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and

segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture SM-2 (attached).

ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction. A PE shall certify (statement with PE stamp) that the road was constructed to the required Bureau of Land Management (BLM) road standards.
9. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.
10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.
11. Topsoil from access roads and pipelines is to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipators as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipators and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road

drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

PAD CONSTRUCTION

13. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture in appendix SM-3, attached.
14. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES

Site Preparation

15. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

16. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
17. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is

sufficient to cause the site to match the surrounding terrain.

18. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

19. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
20. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
21. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

22. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

23. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall

be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.

24. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is attached as appendix SM-2.

General

25. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

SM-2

Sagebrush/Grass Areas

<u>Common Name</u>	<u>Scientific Name</u>	<u>Pounds per acre/PLS</u>
<u>Grasses</u>		
Indian ricegrass	<u>Oryzopsis hymenoides</u>	2
Squirreltail	<u>Elymus elymoides</u>	2
Thickspike wheatgrass	<u>Elymus lanceolatus</u>	1
Crested wheatgrass	<u>Agropyron desertorum</u>	1
Western wheatgrass	<u>Pascopyrum smithii</u>	1
<u>Forbes</u>		
Lewis flax	<u>Linum perenne lewisii</u>	1
Palmer penstemon	<u>Penstemon palmerii</u>	1
Small burnet	<u>Sanguisorba</u>	1
<u>Shrubs</u>		
Forage kochia	<u>Kochia prostrata</u>	1.5
Whitestem rabbitbrush	<u>Chrysothamnus nauseosus albicaulis</u>	1
Fourwing saltbrush	<u>Atriplex canescens</u>	2
Total		14.5

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed, with the Moab Field Office, for approval of all changes of plans and subsequent operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Price Field Office. The Price Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify: Don Stephens (work: 435-636-3608, home: 435-637-7967) or
Mike Kaminski (work: 435-636-3640, home: 435-637-2518) of the BLM, Price Field
Office for the following:

2 days prior to commencement of location construction and reclamation;

1 day prior to spudding;

100 feet prior to reaching the surface casing setting depth;

3 hours prior to testing BOPE

If the people above cannot be reached, notify the Moab Field Office at (435) 259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (435) 259-2117

Home: (435) 259-2214

Please accept this letter as EDP's written request for confidential treatment of all information contained in and pertaining to this application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact myself, or Mr. Peter Yogman of EDP at 435-645-3901, or Mr. Hal Demuth of Petrotek at 303-290-9414 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton

Environmental Manager / Project Coordinator

cc: Mr. Don Stephens, BLM – Price Field Office
Ms. Lisha Cordova, DOGM – SLC Office
Mr. Peter Yogman, EDP Resources, L.L.C
Mr. Dan Davis, EDP Resources, L.L.C.
Hal Demuth, Petrotek Engineering Corporation
EDP Well File



Petrotek Engineering Corporation 9088 South Ridgeline Boulevard, Suite 105 Littleton, Colorado 80129 USA (303) 290-9414 FAX (303) 290-9580

December 4, 2001

CONFIDENTIAL

Mr. Eric Jones
Bureau of Land Management
Moab District Filed office
82 East Dogwood Ave.
Moab, UT 84532

**RE: Sundry Notice – EDP Resources No. 1
Carbon County, Utah – API No. 43-007-30818**

Dear Mr. Jones:

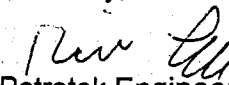
On behalf of EDP Resources, LLC., a Sundry Notice (Form 3160-5) is attached for your review and approval. On Thursday, November 29, 2001, the 13 3/8-inch conductor pipe was set at approximately 67 feet GL and cemented to surface. The cellar, rat and mouse holes were also set. On Friday, November 30, 2001 an 11-inch hole was drilled using air/mist to approximately 450 feet GL. Verbal notification of the spud date was provided to your office and to Mike Kaminski at the BLM, Price, Utah field office.

As previously discussed, the operator, EDP, is considering eliminating the logging sequence approved in the permit for the surface hole. Based upon conditions encountered during drilling the 11-inch surface hole, proposed to be drilled to approximately 3,000 feet RKB, a limited lithological and/or caliper log may be performed. However, EDP is requesting that the proposed logging sequence for the surface hole be eliminated from the drilling procedure. The attached Sundry Notice includes a request to eliminate the logging sequence in the surface hole and notification of the spud date.

Patterson's rig No. 51 has been moved to location and we anticipate commencing rotary drilling activities Wednesday, December 5, 2001. Notification of the BOP testing will be provided to the BLM, Price field office a minimum of 3 hours prior to testing. Daily reports will be submitted on a weekly basis starting early next week.

If you have any other questions, please feel free to call us or Peter Yogman (435-645-3901) at your earliest convenience.

Sincerely,


Petrotek Engineering Corporation
Richard R. Lyle

Cc Peter Yogman – EDP
Gyle Atterberry - Petrotek
Hal Demuth – Petrotek
Carol Daniels - DOGM ✓

RECEIVED

DEC 07 2001

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EDP Resources, LLC

3a. Address

2065 Sidewinder Dr., Ste. 203
Park City, UT 84060

3b. Phone No. (include area code)

435-645-3901

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2126' FNL, 1104' FWL

T15S R12E SEC 09

5. Lease Serial No.

UTU - 77512

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

N/A

8. Well Name and No.

EDP #1

9. API Well No.

43-007-30818

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Carbon County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1. Notification of spud date, November 30, 2001.
2. Elimination of logging sequence (Item #7 in the APD) for surface hole (+/- 3,000 feet).

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED

DEC 07 2001

DIVISION OF
OIL, GAS AND MINING

COPY SENT TO OPERATOR

Date: 12/14/01

Initials: [Signature]

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Richard Lyle

Title Agent for EDP Resources, LLC

Signature

[Signature]

Date

12/14/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil ☒ Gas ☐

CONFIDENTIAL

2. Name of Operator

EDP Resources, LLC

3. Address and Telephone No.

2065 Sidewinder Dr., Ste. 203, Park City, Utah 84060; 435-645-3091

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2126' FNL, 1104' FWL
SW/4 NW/4, Section 9, T15S, R12E, SLB&M

5. Lease Designation and Serial No.

UTU-77512

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

EDP 1

9. API Well No.

43-007-30818

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

- ☐ Change of Name
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Spud Notice

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The EDP 1 well was spud at 3:00 pm on November 30, 2001

Patterson is the drilling contractor

Drilling reports will follow under a separate sundry notice

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OIL, GAS AND MINING

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14. I hereby certify that the foregoing is true and correct

Signed Don Hamilton Title Agent for EDP Resources, LLC

Date 12-3-2001

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ENTITY ACTION FORM

Operator: EDP Resources, LLC
Address: 2065 Sidewinder Drive, Suite 203
Park City, Utah 84060

Operator Account Number: N 1960

Phone Number: 435-645-3091

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-007-30818	EDP 1	SW NW	9	15	12	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	13384	November 30, 2001		12-10-01	
Comments: CONFIDENTIAL New well for a new operator						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

ORIGINAL

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

DEC 10 2001

DIVISION OF
OIL, GAS AND MINING

Don Hamilton
Name (Please Print)

Don Hamilton
Signature

Agent for EDP,
Title

12-3-01
Date

Petrotek

**Petrotek Engineering Corporation
9088 S. Ridgeline Blvd. Suite 105
Littleton, Colorado 80129 USA**

**PHONE (303) 290-9414
FAX (303) 290-9580**

TELECOPIER COVER SHEET

Please deliver the following pages

CONFIDENTIAL

TO: Carol Daniels - DOGM

FAX #: 801-359-3940

FROM: Rick Lyle

DATE: 12-19-01

SUBJECT: Summary - EDP No. 1, API # 43-007-30818

PAGES: 5 - Including this cover page

NOTES:

Attached is a summary of daily activities for the EDP Well No. 1. As the well is classified as "tight", formation tops have been excluded. Future reports will be submitted weekly. Please contact Hal Demuth (ext. 12) or me (ext. 11) if you have any questions.

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PLEASE CALL US AT (303) 290-9414**

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EDP SUMMARY OF DAILY ACTIVITIES – TIGHT HOLE

The following is a chronological report of daily activity, compiled from morning reports. All depth referenced to Rig Kelly Bushing (RKB) unless otherwise noted.

<u>Date</u>	<u>Activity:</u>	<u>Depth/Formation at TD</u>
11/20/01	Site visit/inspection with EDP Resources personnel, Rocky Mountain Excavation and Talon representatives. Reviewed surface use and general location requirements.	
11/21/01	Graded road. Put in 2 culverts. Hauled sand/gravel for pipeline crossings. Moved in D-8 backhoe. Tool pusher for Patterson Drilling on location to check access for rig move.	
11/22/01	Thanksgiving Day – no work.	
11/23/01	Rocky Mountain on location at 9:00 am. Start on location. BLM representative, Don Stephens inspected location. Approved current work. Questar here – pipeline crossings need to be inspected once completed. Determine fence requirements along Questar pipeline.	
11/24/01	Continue work on location with D-8 cat. Need to get Questar approval for crossings. Left message for Questar to inspect Monday am. Cannot move any equipment until approved by Questar.	
11/25/01	Approximately 2" of snow. Went to location. No work due to site conditions and lack of Questar approval.	
11/26/01	Questar on location at 9:30 am. Questar requested 2 additional loads of gravel on pipeline crossings. Hauled 2 more loads of gravel on crossings. Picked up 60 orange barrels to flag road along pipeline. Rig moving truck stopped by location to check. Headed to Patterson rig 51 to start tear down, and start moving rig. Truck pusher checked location. Rat hole digger here. Still leveling location.	
11/27/01	Set out orange barrels on right-of-way pipeline. Finish location start pit tomorrow.	
11/28/01	Started digging reserve pit (hard). Rat hole drillers on location. Blew hydraulic line on unit. Repair. Spud at 4:00 pm. Set 20" conductor pipe. Drill to 60' with 17-½ inch bit. POOH. Attempt to run 13 3/8" conductor pipe. Tag at 50 feet. Pull casing. Run back in hole with 17 ½" bit. Cleaned out to 60'. Pull up 30'.	

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Shut down 30 minutes. Had 8' cavings in hole. Shut down. First load of rig arrived at 3:30 pm.

- 11/29/01 Deliver pit liner 100 x 120 = 12 mill. Install liner. Cleaned out to 60'. Tried to mist hole and mud off caving. No good. Called out bucket rig to clean hole to 60'. Drill to 67' with no fill. Good shale recovered. Rig down, move out.
- 11/30/01 Rig rat hole drillers back up. Ran 13 3/8" casing to 67' and cement with redi-mix. Drill rat hole - mouse hole. Start drilling 11" surface hole at 2:00 p.m. Start hauling water to reserve pit. Hauling additional gravel on road. Rat hole drillers finish 11" hole to 450' GL at 8:00 pm.
- 450' G.L.
- 12/1/01 Tear down rat hole drillers - move out. Level up location. Install 6 x 4 cellar. Weld 13 3/8" casing hanger on (top 4" BLGL). Unload 2 loads of drilling rig (drawworks and fuel tank).
- 12/1/01 Rig on location. Truck pusher said road had to be leveled up from curve to gate. Afraid subs would tip over. Hauled gravel and pulled dirt out of bank on curve to level road. Had to take out gate for wide loads. Hauling gravel. Set sub on gravel.
- 12/3/01 Called grader out to re-level location. Pushed dirt on back side of pit. Set substructure. Spotted floor over surface hole. Install rotary. Install fence around reserve pit. Hauling water to pit. Location muddy and slick.
- 12/4/01 Snow storm 6:00 am - 10:30 am, location extremely muddy. Set draw works on floor. Finish putting derrick together. Pinned derrick. Raise A frame. Set Dog house. Set mud tanks. Set 2 mud pumps. Light plant. First tank. Broke tour.
- 12/5/01 Morning tour put canvas on board. Raise derrick. Rig up. Hauled water for boiler. Boiler will not start. Hauled 2 loads water in rig tank. Called BLM about pressure testing BOP's. Hooking up choke lines. Working on boiler.
- 12/6/01 Open and close BOP's. Pipe and blind rams okay. No testing required per verbal approval from BLM. Open and close all choke lines. Make sure not frozen. All check okay. Rig up flow lines. Work on water lines frozen. Kelly froze up, thaw out. Hook up centrifuge mud cleaner SS. Put 8" DCs and shock sub on racks.
- 12/7/01 Continue rig up. Put wind walls up around floor. Hooking up steam lines and heaters. Got centrifugal on pits primed okay.

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- 12/8/01 Thawing out rig and hoses. New tool pusher here.
Finish rigging up. Start daywork. Daily Summary starting on 12/09/01 will be from 7 a.m. previous day to 7 a.m. current day. Listed depth will be depth as of 7 a.m. current day.
- 12/09/01 Pick up BHA consisting of 11" bit, shock sub, 4-8" collars and 20-6" collars. Run in hole and tag at +/- 460' RKB (15'). Prime pumps and break circulation. Drilling ahead with fresh water. Run survey at 844 feet.
Depth: 1108'
Survey, 1 1/4" @ 844'
- 12/10/01 Drilling ahead with fresh water. Survey at 1127' and 1590'. Sweep hole as needed with mud.
Depth: 1835'
Survey, 1 1/4" @ 1127'
Survey, 1" @ 1590'
- 12/11/01 Drilling ahead with fresh water using 11" bit. Survey at 1900 feet. Hold H2S safety orientation meeting with rig crews and tool pusher.
Depth: 2295'
Survey, 2" @ 1900'
- 12/12/01 Drilling ahead with fresh water. Sweep hole as needed. POOH to log. Rig up loggers. Hit bridge at 520'. Rig down loggers. RIH and ream out bridge.
Depth: 2532'
Survey, 1" @ 2274'
- 12/13/00 Reaming hole after mud up. Continue reaming to TD. Condition hole for logs.
- 12/14/00 Short trip to Drill collars. POOH for logs. Run quad combo log with caliper. Lay down 8" drill collars. Run 8 5/8" casing (1094', 32# on bottom, 1,313' 24# and 129', 32# on top) with 3 centralizers on bottom. Cement casing with 560 sacks of 50-50 poz and 170 sacks of premium cement. Full returns while cementing. Cement did not circulate to surface. Bump plug with 1400 psi. Held pressure for 30 minutes. Release pressure, floats held. Plug down at 4:30 am. WOC.
- 12/15/01 Waited on cement. Nippled-down BOP. Ran 1-inch pipe and tag top of cement at 65 feet. Cemented top of hole with 100 sacks Class A cement to surface. WOC. Cut 13 3/8" hanger and install 8 5/8" x 10" 3,000 psi flange. Nipple up BOP.

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- 12/16/01 Finish nipping up. Service rig and install new drilling line.
Pressure test stack per permit. Start bit in well. Hung up in hanger.
Remove stack and grind weld. Nipple up and test. RIH with
20-6" collars and 7 7/8" bit (Bit No. 2) and drill pipe.
Strap drill pipe. Drill floats and cement.
- 12/17/01 Finish drilling cement and shoe. Drilling ahead with fresh
water. Sweep hole as needed and run surveys.

Depth: 3049'
Survey, 1 1/4° @ 2701'

Petrotek

**Petrotek Engineering Corporation
9088 S. Ridgeline Blvd. Suite 105
Littleton, Colorado 80129 USA**

**PHONE (303) 290-9414
FAX (303) 290-9580**

TELECOPIER COVER SHEET**CONFIDENTIAL**

Please deliver the following pages

TO: Carol Daniels - DOGM

FAX #: 801-359-3940

FROM: Rick Lyle

DATE: 12-26-01

SUBJECT: Summary [REDACTED]

PAGES: 3 - Including this cover page

NOTES:

Attached is a summary of daily activities for the EDP Well No. 1 for the week of December 16, 2001. As the well is classified as "tight", formation tops have been excluded. Future reports will be submitted weekly. Please contact Hal Demuth (ext. 12) or me (ext. 11) if you have any questions.

**IF THERE ARE ANY PROBLEMS WITH THIS TRANSMISSION
PLEASE CALL US AT (303) 290-9414**

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minutes. Release pressure, floats held. Plug down at 4:30 am.
WOC.

12/15/01	Waited on cement. Nipped-down BOP. Ran 1-inch pipe and tag top of cement at 65 feet. Cemented top of hole with 100 sacks Class A cement to surface. WOC. Cut 13 3/8" hanger and install 8 5/8" x 10" 3,000 psi flange. Nipple up BOP.	
12/16/01	Finish nipping up. Service rig and install new drilling line. Pressure test stack per permit. Start bit in well. Hung up in hanger. Remove stack and grind weld. Nipple up and test. RIH with 20-6" collars and 7 7/8" bit (Bit No. 2) and drill pipe. Strap drill pipe. Drill floats and cement.	
12/17/01	Finish drilling cement and shoe. Drilling ahead with fresh water. Sweep hole as needed and run surveys.	Depth: 3049' Survey, 1 1/4° @ 2701'
12/18/01	Drilling ahead with fresh water. Sweep hole as needed and run surveys.	Depth: 3412' Survey, 4° @ 3168' Survey, 5 1/2° @ 3288'
12/19/01	Drilling ahead with fresh water. Sweep hole as needed and run surveys. Trip for bit at 3,481 feet. Run bit No. 3 at 3,481'. Run two string reamers.	Depth: 3593' Survey, 5 3/4° @ 3386' Survey, 5° @ 3519'
12/20/01	Drilling ahead with fresh water. Sweep hole as needed and run surveys.	Depth: 3830' Survey, 5 1/8° @ 3612' Survey, 5° @ 3705'
12/21/01	Drilling ahead with fresh water. Sweep hole as needed and run surveys. Trip pipe to pick up motor. Run motor and bit No. 4 at 3886'.	Depth: 4051' Survey, 4 3/4° @ 3798' Survey, 2 3/4° @ 3798'

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Survey, 4 1/4° @ 4005'

12/22/01 Drilling ahead with fresh water. Sweep hole as needed
and run surveys.

Depth: 4569'

Survey, 2 1/2° @ 4098'

Survey, 1 1/2° @ 4191'

12/23/01 Drilling ahead with fresh water. Sweep hole as needed
and run surveys. Lost returns at 5072 feet. Mix mud and
sweep hole.

Depth: 5072'

Survey, 1° @ 4689'

Survey, 1° @ 4873'

12/24/01 Drilling ahead with mud. Condition hole as needed
and run surveys. Pull out of well with motor. Bit worn out.
Run new bit, No. 5 with 2 string reamers at 5200'.

Depth: 5205'

Survey, 3° @ 4155'

Petrotek

**Petrotek Engineering Corporation
9088 S. Ridgeline Blvd. Suite 105
Littleton, Colorado 80129 USA**

**PHONE
FAX**

**(303) 290-9414
(303) 290-9580**

TELECOPIER COVER SHEET**CONFIDENTIAL**

Please deliver the following pages

TO: Carol Daniels - DOGM

FAX #: 801-359-3940

FROM: Rick Lyle

DATE: 12-31-01

SUBJECT: Summary EDP M. 1-2-2001 12-31-01

PAGES: 3 - Including this cover page

NOTES:

Attached is a summary of daily activities for the EDP Well No. 1 for the week of December 24, 2001. As the well is classified as "tight", formation tops have been excluded. Please contact Hal Demuth (ext. 12) or me (ext. 11) if you have any questions.

**IF THERE ARE ANY PROBLEMS WITH THIS TRANSMISSION
PLEASE CALL US AT (303) 290-9414**

EXP 1 - TISS RIRE SEC-09
43-007-30818

CONFIDENTIAL

Depth: 5532'
Survey, 2 1/2° @ 5458'

12/28/01 RIH to 8 5/8" shoe and break circulation. Work on pumps. Finish tripping in. Drilling ahead with mud. Condition hole as needed. Pump pill and drop survey. POOH.

Depth: 5677'

12/29/01 POOH and lay down motor. Slip and cut drilling line. RIH with magnet to check for junk - no recovery. RIH with bit No. 8, and 3 reamers. Wash 60' to bottom. Drill ahead and run survey.

Depth: 5715'
Survey, 2 ° @ 5658'

12/30/01 Drilling ahead with mud. Pump pill and POOH. RIH with bit No. 9.

Depth: 5853'

12/31/01 Finish RIH with bit No. 9 and 3 reamers. Wash 10' to bottom. Drill ahead and service rig.

Depth: 5998'
Survey, 0 ° @ '

EDP 43-002-30818
TISSE RIRE SEC-09

CONFIDENTIAL

12/23/01 Drilling ahead with fresh water. Sweep hole as needed and run surveys. Lost returns at 5072 feet. Mix mud and sweep hole.

Depth: 5072'
Survey, 1° @ 4689'
Survey, 1° @ 4873'

12/24/01 Drilling ahead with mud. Condition hole as needed and run surveys. Pull out of well with motor. Bit worn out. Run new bit, No. 5 with 2 string reamers at 5200'.

Depth: 5205'
Survey, 3° @ 5155'

12/25/01 Drilling ahead with water. Condition hole as needed. POOH and pick up bit No. 6, mud motor and 2 reamers at 5270'. Drill ahead and run surveys. Strap pipe and Correct 5 feet uphole.

Depth: 5355'
Survey, 2 1/2° @ 5305'

12/26/01 Drilling ahead with mud. Lost circulation. Mix and pump LCM sweeps. POOH 2 stands. Mix mud and fill pits. Pipe stuck. Pump 160 barrels water followed by pill. Pipe free. POOH to base of surface casing. Regain circulation. Build mud volume and condition mud.

Depth: 5442'

12/27/01 Continue conditioning mud as needed. POOH and change motors. Pick up bit No. 7, mud motor and 2 reamers at 5442'. Drill ahead and run survey. Lost pump pressure. POOH to look for hole - none found.

Depth: 5532'
Survey, 2 1/2° @ 5458'

12/28/01 RIH to 8 5/8" shoe and break circulation. Work on pumps. Finish tripping in. Drilling ahead with mud. Condition hole as needed. Pump pill and drop survey. POOH.

Depth: 5677'

Petrotek

Petrotek Engineering Corporation
9088 S. Ridgeline Blvd. Suite 105
Littleton, Colorado 80129 USA

PHONE
FAX

(303) 290-9414
(303) 290-9580

TELECOPIER COVER SHEET

CONFIDENTIAL

Please deliver the following pages

TO: Carol Daniels - DOGM

FAX #: 801-359-3940

FROM: Rick Lyle

DATE: 1-7-02

SUBJECT: Summary ~~EDP No. 1 APL/12-2001-0001~~
~~12-2001-0001~~

PAGES: 3 - Including this cover page

NOTES:

Attached is a summary of daily activities for the EDP Well No. 1 for the week of January 1, 2002. As the well is classified as "tight", formation tops have been excluded. Please contact Hal Demuth (ext. 12) or me (ext. 11) if you have any questions.

IF THERE ARE ANY PROBLEMS WITH THIS TRANSMISSION
PLEASE CALL US AT (303) 290-9414

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43-007-30818
TISS R¹⁷TE SEC 09

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1/04/02 Finish POOH. Lay down reamers. RIH with RR Bit No. 9 to 2500'. Mix mud with lost circulation material. Get returns. Circulate and condition mud. Drill ahead

Depth: 6950'
Survey, 0 ° @ '

1/05/02 Drill ahead and service rig. Lost circulation at 7169'. Pull 10 stands and mix LCM. Hole standing full. Start in hole.

Depth: 7169'

1/06/02 Finish RIH with RR bit No. 9. Drill ahead and service rig. Start out for new bit.

Depth: 7353'
Survey, 3 3/4 ° @ 7300'

1/07/02 POOH, slip drilling line and RIH with bit No. 11. Wash to bottom. Drill ahead. Lost circulation. Pull 10 stands and mix LCM pill. Regain returns. RIH and wash back to bottom. Drill ahead.

Depth: 7440'

43-007-30818
T155 R12E SEC 09

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Depth: 5532'
Survey, 2 1/2° @ 5458'

12/28/01 RIH to 8 5/8" shoe and break circulation. Work on pumps. Finish tripping in. Drilling ahead with mud. Condition hole as needed. Pump pill and drop survey. POOH.

Depth: 5677'

12/29/01 POOH and lay down motor. Slip and cut drilling line. RIH with magnet to check for junk - no recovery. RIH with bit No. 8, and 3 reamers. Wash 60' to bottom. Drill ahead and run survey.

Depth: 5715'
Survey, 2° @ 5658'

12/30/01 Drilling ahead with mud. Pump pill and POOH. RIH with bit No. 9.

Depth: 5853'

12/31/01 Finish RIH with bit No. 9 and 3 reamers. Wash 10' to bottom. Drill ahead and service rig.

Depth: 5998'
Survey, 0° @

1/01/02 Drilling ahead with mud. Pump pill and pull out for new bit.

Depth: 6297'

1/02/02 Finish POOH. Pick up bit No. 10 and run with 3 reamers. RIH and drill ahead. Service rig.

Depth: 6580'
Survey, 1 1/2° @ 6297'

1/03/02 Drill ahead and service rig. Lost circulation at 6827'. Mix and pump pill. POOH to lay down reamers.

Depth: 6824'

Petrotek

Petrotek Engineering Corporation
9088 S. Ridgeline Blvd. Suite 105
Littleton, Colorado 80129 USA

PHONE (303) 290-9414
FAX (303) 290-9580

TELECOPIER COVER SHEET

Please deliver the following pages

CONFIDENTIAL

TO: Carol Daniels - DOGM

FAX #: 801-359-3940

FROM: Hal Demuth

DATE: 1-16-02

SUBJECT: Summary - EDP No. 1, API # 43-007-30818
TISS RISE SEC 09

PAGES: 2 - Including this cover page

NOTES:

Attached is a summary of daily activities for the EDP Well No. 1 for the period from January 8 to January 14, 2002. The well was TD'd at 7677' on January 14 and production casing run. The operator is reviewing options for testing the well. As the well is classified as "tight", formation tops have been excluded. Please contact me (ext. 12) if you have any questions.

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JAN 16 2002

DIVISION OF
OIL, GAS AND MINING

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1/08/02	Drill ahead. POOH to casing shoe and work on rig. TIH. Hole tight and losing circulation.	Depth: 7472'
1/09/02	Losing circulation. Mix mud. POOH 10 stands and circ. POOH to casing shoe and replace mixing pumps.	Depth: 7472'
1/10/02	Circ and condition mud. RIH and ream 7400-7439'. Hole tight. Lost circ. POOH 10 stands. Mix mud to 100 vis. RIH. Ream to 7470'.	Depth: 7472'
1/11/02	Finish reaming to bottom. Drill to TD at 7677'.	Depth: 7677'
1/12/02	Circ. Short trip 12 stands. POOH for logs. Run DIL/SP/ CNL/FDC/GR/Sonic. Sonic stopped at 7386. All other logs run to 7672' WLM. RIH to circulate.	Depth: 7677'
1/13/01	Circulate. POOH L/D DP and DCs.	Depth: 7677'
1/14/02	Run 181 jts 4 ½" 11.6#/ft M-80 LT&C casing (range 3 Maverick, new) to 7674'. Cement with 400 sx 50/50 Pozmix. Bump plug with 1000#; floats held. Set slips with 80,000#. Release rig.	

Summary of Daily Activities

Petrotek



Petrotek Engineering Corporation 9088 South Ridgeline Blvd., Suite 155 Lakewood, Colorado 80111 USA
(303) 290-9414 FAX (303) 290-9580

November 20, 2001

CONFIDENTIAL

COPY

Via Fax and U.S. Mail

Mr. Eric Jones
Bureau of Land Management
Moab District Field Office
82 East Dogwood Ave.
Moab, UT 84532

Subject: Sundry Notice
EDP Resources #1, Carbon County, Utah

Dear Mr. Jones:

On behalf of EDP Resources, LLC, a Sundry Notice (Form 3160-5) is attached for your review and approval.

The operator has finalized their targets for the referenced well, and does not feel that a sidetrack/horizontal completion is to be considered. As such, it is more cost-effective to size down the surface hole and surface casing. Further, we have an opportunity for the rathole driller to drill about 450 feet of the surface hole, which will increase the potential for a straight hole.

The resulting changes requested for approval include:

1. Drilling 450 feet of the surface hole with air/mist and an air head;
2. Using an 11" 5M annular BOP,
3. Drilling 10 5/8" surface hole (if bits are available),
4. Running 8 5/8" surface casing as follows: 32# J-55 STC on bottom (and the top 1-4 joints) and 24# J-55 STC on top, and
5. Should 5 1/2" production pipe be run, use J-55 grade instead of K-55 grade.

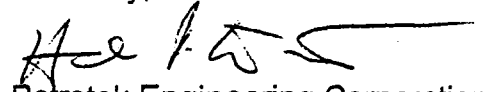
We have discussed the first and fourth changes presented above on the telephone, and changes (2) and (3) are consistent with those plans. The change in production pipe grade was made based on pipe availability, and does not impact the design of the well.

Pending location construction and truck availability, we plan to spud the well between November 24th and November 27th, 2001. The site telephone number is 303-903-5588.

Bureau of Land Management
Moab District Office
November 20, 2001
Page 2

Please contact the undersigned or Mr. Peter Yogman of EDP (435-645-3901) if you have any questions regarding the attached information, or other matters related to the well.

Sincerely,



Petrotek Engineering Corporation
Hal P. Demuth

HPD:hd

Attachments

cc: Peter Yogman – EDP
Don Hamilton – Talon Resources
Rick Lyle – Petrotek
Gyle Atterberry - Petrotek

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
OIL AND GAS PROGRAM

PHONE CONVERSATION DOCUMENTATION FORM

✓ Copy? ☐

Conversation Pertains to:

☒ WELL EDP 1

☐ OTHER

Section 9 Township 15S Range 12E

API Number 43-007-30818

Topic of Conversation: Is well completed?

Date of Phone Call: 6/14/2002

Time: 2:20 pm

DOGM Employee (name): Carol Daniels

✓ Initiated Call? ☒

Spoke with:

Name: Peter Yogman

✓ Initiated Call? ☐

Of (company/organization): EDP Resources LLC Phone: (435) 645-3901

Highlights of Conversation:

Mr. Yogman said the well is not completed. Operations are suspended for another two months then testing will be done to see if can be converted to a Disposal Well. He said they are in compliance with the BLM and have filed sundry's with them. I told him I had not received any sundry's since drilling operations were completed and those reports were sent by the drilling company, Petrotek. Mr. Yogman will send us copies of the sundry's sent to the BLM to my attention. I told him we need a copy of all sundry's that are sent to the BLM and when the well is completed we will need a WCR.

EDP RESOURCES LLC

3086 Fairway Hills Ct. Park City, UT 84060 Tel: 435-655-0364

State of Utah
Department of Natural Resources
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

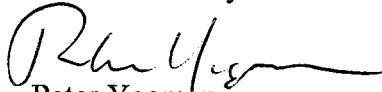
CONFIDENTIAL

June 14, 2002

Dear Division:

Per your request enclosed are the last sundry notices prepared by our consultant on the subject well. The well is temporarily abandoned but we are actively exploring its use either as a disposal well for the coal bed methane operators or for CO2.

Let us know if you have any further questions.


Peter Yogman

RECEIVED

JUN 18 2002

**DIVISION OF
OIL, GAS AND MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.
77512

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No.
EDP #1

9. API Well No.
43-007-30818

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Carbon, Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EDP Resources, LLC

3a. Address
2065 Sidewinder #203
Park City, UT 84060

3b. Phone No. (include area code)
435-645-3901

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SW/NW 2126' fnl 11041' from the West line Sec 9 TWP 15S
RGE 12E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Set CIBP@6445 above top perf @6505 Cap w/50' 14.8# cmt, perf 4 holes @ 2960 circulate 4 1/2 x 8 5/8 anulus, set cicr@2940, squeeze w/ 300 sk 50-50 poz 14.8# held 500psi back pressure, SI w/100 psi on both sides, 24 hrs bled to 0.

RECEIVED

perfs: 7525-35, 6962-68, 6984-90, 7012-18, 6505-15, squeeze holes 2960

JUN 18 2002

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Paul Breshears

Title
Completion Consultant

Signature

Date
May 6, 2002

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

EDP Resources #1

Section 9, T15S, R12E
Latitude: XX° XX.xx'
Longitude: XXX° X.xx'
Carbon County, Utah

CONFIDENTIAL

GL: 5570' KB: 5584'

Formation	Depth
Navajo	2798'
Wingate	3188'
Kaibab	4898'
Callville	6207'
Doughnut	6834'
Humbug	7021'
Redwall	7491'

20" bit
13-3/8" Csg set @ 67'

11" bit
8-5/8" 24 & 32 #/ft
Csg set @ 2,536'

Est TOC @ 5,800'

TOC 6370

RECEIVED

JUN 18 2002

DIVISION OF
OIL, GAS AND MINING

7-7/8" bit
4-1/2" 11.60 #/ft
M-80 Csg set @ 7,674'

TD @ 7,677'
PBTD @ 7,634'

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL
FORM APPROVED
GMB/NO. 1004-0183
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

RECEIVED
FIELD OFFICE

SUBMIT IN TRIPLICATE Other instructions on page 3160-5

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator EDP Resources, LLC	
3a. Address 2065 Sidewinder Dr., Ste. 203, Park City, Utah 84060	3b. Phone No. (include area code) 435-645-3091
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2126' FNL, 1104' FWL SW/4 NW/4, Section 9, T15S, R12E, SLB&M	

5. Lease Serial No. UTU-77512
6. If Indian, Allottee or Tribe Name N/A
7. If Unit or CA/Agreement, Name and/or No. N/A
8. Well Name and No. EDP 1
9. API Well No. 43-007-30818
10. Field and Pool, or Exploratory Area Wildcat/Undesignated
11. County or Parish, State Carbon County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or to recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This notice replaces the notice dated 01-11-02.

The EDP No. 1 was TD'd at 7,677' on 01-11-02.

Logs were run on 01-12-02. Production casing was run and cemented on 01-14-02.

1. 181 joints new 4 1/2" 11.6#/ft M-80 LT&C production casing was run to a depth of 7674' RKB.

2. The casing was cemented with 400 sx 50/50 Pozmix (calculated TOC about 9900).

Full returns throughout cement job. Plug bumped with 1000 psi; floats held.

Slips set with 80,000#.

3. The top of casing will be secured (either a valve or welded cap).

4. The operator is considering options and schedule with regard to testing the well.

JUN 18 2002

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Hal Demuth

Title Agent for EDP Resources, LLC

Signature

Hal Demuth

Date 01-16-2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

Title Division of Resources

Date JAN 25 2002

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Moab Field Office
Office

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
OIL AND GAS PROGRAM

PHONE CONVERSATION DOCUMENTATION FORM

☐ Copy? ☐

Conversation Pertains to:

☒ WELL EDP 1

☐ OTHER

Section 9 Township 15S Range 12E

API Number 43-007-30818

Topic of Conversation: HAVE YOU RECEIVED A WCR FOR THIS WELL ?

Date of Phone Call: 9/12/2003

Time: _____

DOGM Employee (name): CAROL DANIELS

☐ Initiated Call? ☒

Spoke with:

Name: ERIC JONES

☐ Initiated Call? ☐

Of (company/organization): BLM/MOAB OFFICE Phone: (435) 259-6111

Highlights of Conversation:

I ASKED ERIC JONES IF THEY HAD RECEIVED A WCR FOR THIS WELL. HE SAID THEY HAD NOT. HE HAD APPROVED A SUNDRY FOR TA STATUS W/ CONDITIONS ON 2/20/2003. HE SAID HE WOULD SEND US A COPY OF THIS APPROVED SUNDRY. HE HAS HAD THE SAME TROUBLE AS ME IN TRYING TO CONTACT PETER YOGMAN. EDP RESOURCES LLC'S TELEPHONE NUMBER HAS BEEN DISCONNECTED.

NOTE: RECEIVED BY DOGM, SUNDRY NOTICE WITH ERIC JONES APPROVAL FOR TA ON 9/18/2003.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

RECEIVED
MOAB FIELD OFFICE

5. Lease Serial No.
77512

6. If Indian, Allottee
2002 MAY -9 A 9:01

7. If Unit or C/A Agreement, Unit Name
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

8. Well Name and No.
EDP #1

9. API Well No.
43-007-30818

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Carbon, Utah

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EDP Resources, LLC

3. Address
2065 Sidewinder #203
Park City, UT 84060

3b. Phone No. (include area code)
435-645-3901

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SW/NW 2126' fml 11041' from the West line Sec 9 TWP 15S
RGE 12E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operation has determined that the site is ready for final inspection.

Set CIBP@6445 above top perf @6505 Cap w/50' 14.8# cmt, perf 4 holes @ 2960
circulate 4 1/2 x 8 5/8 annulus, set cicr@2940, squeeze w/ 300 sk 50-50 poz
14.8# held 500psi back pressure, SI w/100 psi on both sides, 24 hrs bled to 0.

perfs: 7525-35, 6962-68, 6984-90, 7012-18, 6505-15, squeeze holes 2960

RECEIVED

SEP 18 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Paul Breshears

Title
Completion Consultant

DIV. OF OIL, GAS & MINING

Signature

Date
May 6, 2002

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title
Assistant Field Manager,
Division of Resources

Date
3/5/03

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Instructions on reverse:
APPROVE w/COND: ecj 2.20.03

CONDITIONS OF APPROVAL ATTACHED

EDP Resources #1

Section 9, T15S, R12E

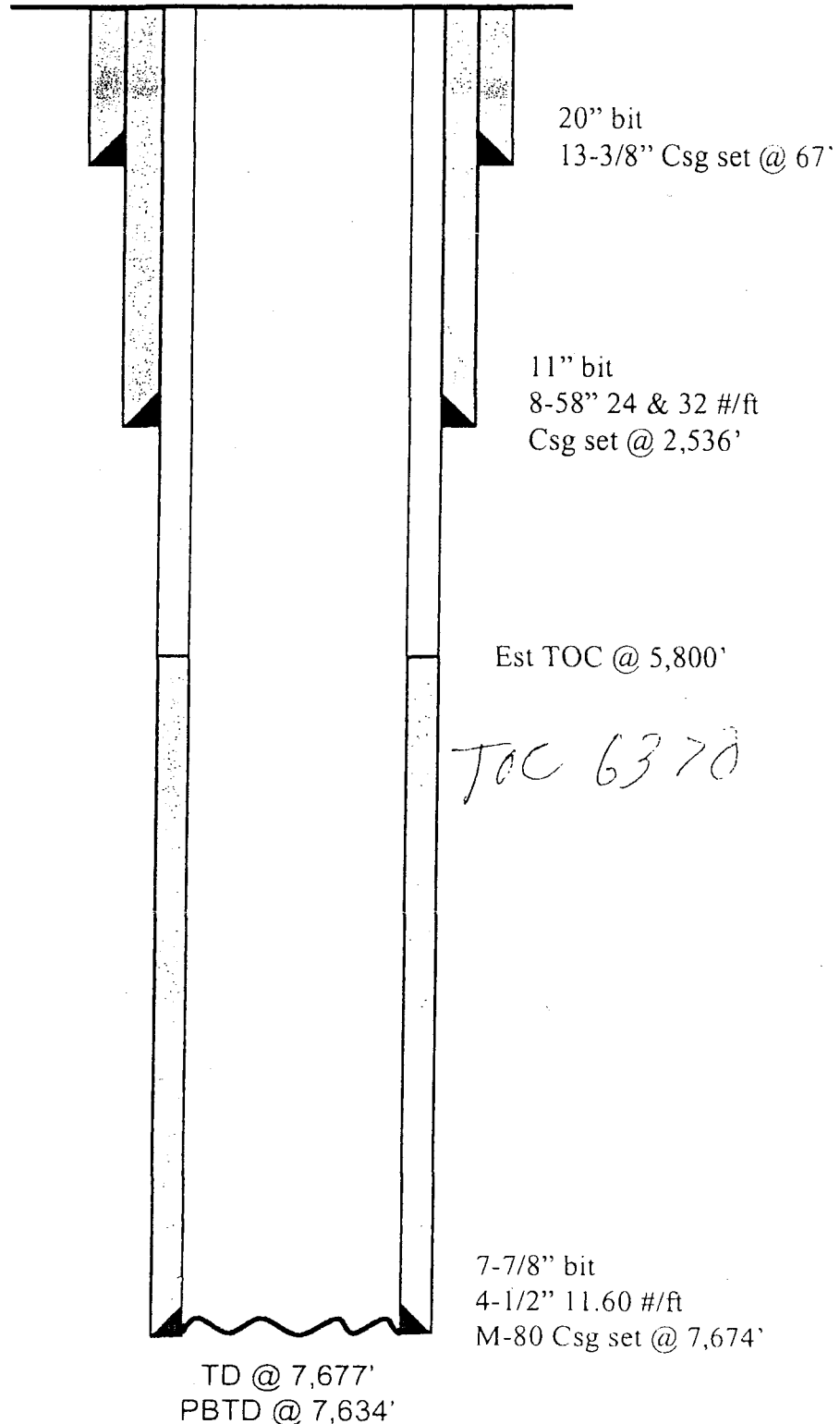
Latitude: XX° XX.xx'

Longitude: XXX° X.xx'

Carbon County, Utah

GL: 5570' KB: 5584'

Formation	Depth
Navajo	2798'
Wingate	3188'
Kaibab	4898'
Callville	6207'
Doughnut	6834'
Humbug	7021'
Redwall	7491'



Temporary Abandonment
EDP Resources, Inc.
EDP No. 1
Lease U77512
Section 9, T15S, R12E
Carbon County, Utah

CONDITIONS OF APPROVAL

1. Temporarily Abandoned (TA) status is approved for this well for a period of one year.
2. A Well Completion or Recompletion Report and Log (Form 3160-4) must be submitted within 30 days. Completion reports are due within 30 days of completion of the well. This well was apparently completed in January 2001.
3. Should this well begin production, BLM must be notified within five working days. Notification may be by letter or sundry notice, or may be oral to be followed by a letter or sundry notice.
4. Prior to the end of the term of this approval, if you wish to retain temporary abandonment (TA) status, you must re-apply. A subsequent application must include specific plans and a time schedule for improving the well. Temporary abandonment is not intended as a long term well status. Each successive TA request will be subject to a higher order of scrutiny.

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: EDP RESOURCES LLC

Today's Date: 10/07/2003

Well:

API Number:

Drilling Commenced:

EDP 1

4300730818

11/30/2001

T15S R12E SEC 09 - *Rec 1-29-04*

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc:

 Compliance File

JD Magnum Corp

46 South 2050 East
Layton, Utah 84040
Email: odyssey4646@msn.com

Tel. (801) 546-8297 (H)

Cell (801) 589-4933

TO: Utah Division of Oil, Gas, and Mining.

FAX (801) 359-3940

Attn: Mike Hebertson

Re: Completion Report of EDP Resources #1

Number of Pages 3 of 3

Regards,



Dan Davis
EDP LLC Partner
Geologist
(801) 546-8297
Cell (801) 589-4933

RECEIVED
JAN 29 2004
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGAMENDED REPORT ☐ FORM 8
(highlight changes)5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU 77512

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
EDP-Resources #19. API NUMBER:
43-007-30818

10. FIELD AND POOL, OR WILDCAT

11. QTR/OTR, SECTION, TOWNSHIP, RANGE,
MERIDIAN:
SWSW 9 15S 12E12. COUNTY
Carbon13. STATE
UTAH

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHERb. TYPE OF WORK: NEW WELL ☐ MODIF. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER2. NAME OF OPERATOR:
EDP Resources LLC3. ADDRESS OF OPERATOR: CITY Park City STATE UT ZIP 84060
2065 SidewinderPHONE NUMBER:
(801) 655-0362

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 1986 FNL 1185 FWL

2126 1104
AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH:

CONFIDENTIAL
PERIOD
EXPIRED
ON 3-15-03

14. DATE SPUNDED: 12/8/2001

15. DATE T.D. REACHED: 1/11/2002

16. DATE COMPLETED: 2/15/2002

ABANDONED ☐ READY TO PRODUCE ☒18. TOTAL DEPTH: MD 7,678
TVD19. PLUG BACK T.D.: MD 3,118
TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? 1

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

GR-Lithodensity/Neutron
GR-DIL23. WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)
WAS DST RUN? NO ☒ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
18"	14" J-55	20	0	85		G 150		CAL	
12 1/4	8 5/8 J-55	24	0	2,000		CaCO ₂ 500		CAL	
7 7/8	4 1/2 N-80	11.6	0	7,600		PO2 1,100		CAL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Navajo SS	2,798	3,118			2,798			Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION☐ GEOLOGIC REPORT☐ CORE ANALYSIS☐ DST REPORT☐ OTHER:☐ DIRECTIONAL SURVEY

30. WELL STATUS:

ST
Producing

(5/2000)

(CONTINUED ON BACK)

RECEIVED

JAN 29 2004

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

91. INITIAL PRODUCTION				INTERVAL A (As shown in Item #29)						
DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

INTERVAL B (As shown in Item #26)										
DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

INTERVAL C (As shown in Kern 729)										
DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

INTERVAL D (As shown in Item #50)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:		GAS - MCF:		WATER - BBL:		PROD. METHOD:							
CHOKE SIZE:		TGB. PRESS.		CSG. PRESS.		API GRAVITY		BTU - GAS		GAS/OIL RATIO		24 HR PRODUCTION RATES: →		OIL - BBL:		GAS - MCF:		WATER - BBL:		INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Ventd, Etc.)

33. SUMMARY OF POROUS ZONES (include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Entrada	2,074			Ferron	480
Navajo SS	2,798			Moenkopi	1,130
Wingate	3,188			Curtis	1,888
White Rim	5,976			Carmel	2,506
Calville	6,207			Navajo SS	2,798
Humbug	7,021			White Rim	5,076
				Calville	6,207
				Humbug	7,021
				Redwall	7,491

35. ADDITIONAL REMARKS (include plugging procedure)

EDP #1 discovered CO₂, and was completed as a producer; waiting on market conditions

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) J. Dan Davis

TITLE Geologist (Utah Reg: #5635211-2250)

SIGNATURE J. Dan Davis

DATE 1/28/2004

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

3086 Fairway Hills Ct.
Park City, UT 84060

State of Utah
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

March 21, 2004

Dear Division:

This well was transferred to Savoy Energy at P.O. Box 87, Manti, UT 84642. The well is now ~~temporarily abandoned~~ and never produced.

Shut in waiting on market

Yours Truly:

Peter Yogman

EDP

Peter Yogman

N1960

*This well is a Carbon Dioxide well
No Hydrocarbons •
will shut in waiting on market.
Heber*

RECEIVED

MAR 25 2004

DIV. OF OIL, GAS & MINING

APPROVED 2/2/05

ER

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED

JUN 08 2004

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER CO₂ Gas Well

2. NAME OF OPERATOR: EDP Resources LLC

3. ADDRESS OF OPERATOR: 3086 Fairway CITY Park City STATE UT ZIP 84642

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 09 15S 12E

PLEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

COUNTY: Carbon

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

SI waiting for market

NAME (PLEASE PRINT)

SIGNATURE

TITLE

DATE

(This space for State use only)

RECEIVED

JUN 08 2004

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>CO₂ Gas Well</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: —
2. NAME OF OPERATOR: <u>Savoy Energy LLC</u> <u>N2690</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: —
3. ADDRESS OF OPERATOR: <u>97 N. Main</u> CITY <u>Manti</u> STATE <u>UT</u> ZIP <u>84642</u> PHONE NUMBER: <u>435 835-4248</u>		7. UNIT or CA AGREEMENT NAME: —
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>SWNW 09 15S 12E</u>		8. WELL NAME and NUMBER: <u>FDP #1</u>
		9. API NUMBER: <u>43-007-30818</u>
		10. FIELD AND POOL, OR WILDCAT: —
		COUNTY: <u>Carbon</u>
		STATE: <u>UTAH</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

SI Waiting For Market.
Effective 2/1/05
BLM Bond ZSB 801153

NAME (PLEASE PRINT) <u>STEVEN J. LYNN</u>	TITLE <u>ENGINEER</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2/1/05</u>

(This space for State use only)

APPROVED 2/2/05

ER

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

FEB 01 2005

DIV. OF OIL, GAS & MINING

3. FILE

Designation of Agent/Operator

Merger

Phone: 1-(435) 835-4248

Unit:

[illegible]

6b. Inspections of LA PA state/fee well sites complete on:

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: [REDACTED] not yet [REDACTED]

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: [REDACTED]

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: [REDACTED]

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: [REDACTED]

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: [REDACTED]
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: [REDACTED]
3. Bond information entered in RBDMS on: [REDACTED]
4. Fee/State wells attached to bond in RBDMS on: [REDACTED]
5. Injection Projects to new operator in RBDMS on: [REDACTED]
6. Receipt of Acceptance of Drilling Procedures for APD/New on: [REDACTED]

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: [REDACTED]

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: [REDACTED]

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number [REDACTED]

2. The **FORMER** operator has requested a release of liability from their bond on: [REDACTED]

The Division sent response by letter on: [REDACTED]

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: [REDACTED]

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Savoy Energy LLC

3a. Address

97 N. Main Monticello UT 84642

3b. Phone No. (include area code)

435 340-0557

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2126 FNL 1104 FNL SWNW Sec 9 T 15S R 12E

5. Lease Serial No.

U-77512

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

EDP #4

8. Well Name and No.

EDP #1

9. API Well No.

4300730818

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Carbon County UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Savoy Energy LLC is taking over operations of the EDP #1 well
Savoy Energy LLC is responsible under the terms and conditions of the
lease for operations conducted on the Lease Lands or portions thereof.

Bond coverage for this well will be provided by BLM bond #

Effective date will be: Nov. 11, 2004

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jon K. Larson

Title

VP. Operations

Signature

Jon K. Larson

Date

9/15/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

Title

Division of Resources
Moab Field Office

Date

SEP 16 2005

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

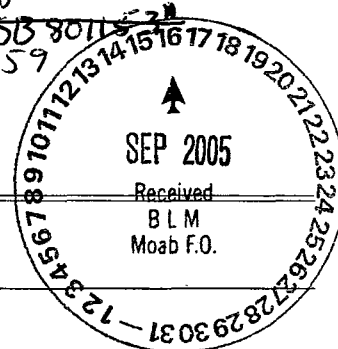
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

CC: [redacted] [redacted] [redacted]

Conditions Attached

SEP 23 2005



Savoy Energy LLC
Well No. 9-1
Section 9, T15S, R12E
API# 4300730818
Lease UTU77512
Carbon County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Savoy Energy LLC is considered to be the operator of the above well effective November 11, 2004, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UTB000159 (Principal – Savoy Energy LLC) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43CFR 3106.7-2 continuing responsibility are met.